



Putting music at the heart of Bristol life

BRISTOL MUSIC TRUST
TRUSTEES' ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Company Number: 07531978

Charity Number: 1140898

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CHAIR'S REPORT

This year has focused on recovery and preparations for re-opening in November 2023. In spite of the venue still being closed for the refurbishment project, we have delivered a full calendar of 180 shows in 37 local venues and 171 events in the foyer building. We were able to organise and promote the Bristol New Music Festival with local partners and our Rivertown Festival of Americana music and we were delighted to finally welcome Nile Rogers and Chic to perform at the Harbour Festival after 2 years of waiting.

Our Creative Learning and Engagement work has continued to thrive with music teaching returning to pre-COVID-19 levels and delivery work in the community being reinstated. A new Director was appointed in the year and a reorganisation and strengthening of the team carried out to cement this activity. The team organised and delivered a hugely successful tour to France for the Bristol Youth orchestra and Bristol Youth Choir as well as providing over 40,000 music lessons to young people in Bristol.

The capital project has continued according to plan with Bristol City Council committing the final tranche of funding in January 2023. We are expecting the building to be finished and handed over in September 2023 to allow our set up and training programme to be undertaken before opening on 30th November 2023 with a concert by the Paraorchestra. We have carried out some improvement works to the foyer building facilities to refurbish all the toilet blocks and rebuild the box office as a more welcoming and accessible space. Refurbishment of the bars will be the final part of these works. We have now finished most of the projects to renew our business operating systems such as upgrades to the finance system SAGE and the event management system Artifax and are now focussing on our operating procedures which will drive staff training.

Commercial business has been rebuilt with our regular customers (blood donors, university careers and recruitment fairs and retail fairs). We have also secured some important new business for reopening with a contract signed with the University of the West of England (UWE) to host their graduations twice a year and with Bristol International Balloon Fiesta to deliver ticketing for the event.

Staff are now mainly working a hybrid model of some days in the office and some at home. The additional flexibility is welcomed by them and is working well for the business. We started to put our new staff structure for re-opening in place with the key appointments of a Production Manager and Facilities Manager.

We finished the financial year on target for our planned deficit, reflecting the build-up of the business again post COVID-19 and the start of additional costs for re-opening. We were successful in retaining our Arts Council England (ACE) National Portfolio Organisation status for another 3 years from 2024/25. Free reserves at year end of £569,532 are below our reserves policy minimum of around £850,000 and we will be working to restore reserves to the minimum level over the next few years.

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

We are facing the future in a positive fashion as we move towards re-opening. Our opening concert has been announced and we are on sale with many concerts for the opening season and sales are going well. None of this would be possible without the most remarkable team at Bristol Music Trust led by Louise Mitchell. It is their dedication and hard work that has brought to reality a vision first put forward some twelve years ago when the Trust was established. Without each and every member of the Trust's staff none of this would be possible and we are even more grateful for their amazing support and dedication through the five years of closure. We were delighted that Louise was honoured with the award of a CBE in the New Year's Honours List. Our team also won the Live Awards 2022 Workplace Award, the Transform Awards Europe 2022 Best Visual Identity for a Charity for our rebranding and the Creative Lives Awards 2023 Runner Up in England.



Simon Chapman
12 October 2023

TRUSTEES' ANNUAL REPORT

The Trustees present their report and the financial statements of Bristol Music Trust for the year ended 31 March 2023.

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 as at 31 March 2023 and subsequently are given below:

<i>Trustees/Directors</i>	<i>Appointed/Reappointed</i>
Simon Chapman (Chair)	8 Oct 2019
Martino Burgess	22 July 2022
Tony Cherry	8 Oct 2018 (Resigned 29 Sept 2023)
Patsy Connor	8 Oct 2018
Katharine Finn	15 Dec 2022
Craig Gentle	8 Oct 2018
Tanya Lacey	8 Oct 2018
Sandra Meadows OBE	8 Oct 2018
Sonia Mills	22 Oct 2021
Louise Mitchell CBE	8 Oct 2018
Andrew Nisbet	5 May 2021
Timothy Westwell	3 Sept 2019
Cllr Craig Cheney*	26 July 2019

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

Executive Team

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

Louise Mitchell (Chief Executive)
 Andy Boreham (Head of Marketing)
 Nick Craney (General Manager)
 Rosa Corbishley (Director of Development)
 Naomi Easy (Head of Commercial)
 Clare Jack (Chief Operating Officer)
 Adam Kent (Director of Creative Learning and Engagement) (appointed 1 October 2022)
 Siggie Patchett (Head of Strategic Change)
 Sarah Robertson (Communications & Special Projects Director)
 Sophie Whitaker (Head of Finance)
 Todd Wills (Artistic Director)

Audit, Risk & Resources Committee

Tony Cherry (Chair)
Simon Chapman
Katharine Finn
Craig Gentle
Sonia Mills
Louise Mitchell

Creative Learning and Engagement Committee

Tony Cherry – (Chair)
Louise Jennings
Deshni Pyndiah
Tanya Lacey
Sandra Meadows
Lloyd Coleman

Bristol Beacon Capital Fundraising Group

Sonia Mills (Chair)
Rosalind Kennedy
Andrew Nisbet
Louise Mitchell
Chris Seaton

Bristol Beacon Phase 2 Development Project – Strategic Advisory Group

Charles Wilson (Chair)
Sonia Mills
Simon Chapman
Louise Mitchell

Principal address and registered office: Bristol Beacon
Trenchard Street
Bristol
BS1 5AR

Registered charity number: 1140898

Company registration number: 07531978

The Trustees have made the following professional appointments:

Co Secretary: Sophie Whittaker

Auditor:

RSM UK Audit LLP
Chartered Accountants
Second Floor
1 The Square
Temple Quay
Bristol
BS1 6DG

Bankers:

NatWest
Bristol City Office
46-49 Broad Street
Bristol
BS1 3EU

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status & History

Bristol Music Trust was established to operate Bristol Beacon, 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 Southwest 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 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 Bristol Beacon 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 Bristol Beacon, and creatively supports young people in Bristol and the Southwest, making music and music learning through its Creative Learning and Engagement (CLE) team. 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 Bristol Beacon to Bristol Music Trust for a 25-year period at a peppercorn rent. The old lease will be replaced with a new 32-year lease from completion of the ongoing re-development. 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 the artistic programme and audience development objectives.

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 as the Music Education Hub for the City of Bristol run by our CLE team. The aim is to deliver an exciting and coherent music educational programme that spans both formal and non-formal music education across the city. The team is based both at Bristol Beacon and at the music centre in Southmead, which is leased to Bristol Music Trust from BCC for a peppercorn rent. The vision of CLE 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.

The concert 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 Hall opened to the public on 20 September 1867, but the main auditorium was destroyed by fire in 1898. A second reconfigured 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 hall opening in December 1936, but a further fire in 1945 robbed Bristol of its concert hall once more. The fourth incarnation of the 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 hall needed substantial investment if it 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 Hall. 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 Bristol Music Trust (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 the funding package to deliver it.

Bristol Beacon Redevelopment Phase 2

The project to transform the hall into a new and inspiring centre where all genres of music and music education activity can flourish started with the closure of the auditoria in June 2018, the commencement of demolition works in October 2018 and the start of reconstruction June 2019. The 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. The hall will be a completely accessible major music venue for artists and audience alike.

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 industries of music, film, design, performance etc. as a whole. The hall's 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 (broadly 65% Bristol, 25% the Southwest, 10% other UK destinations) and when fully open, is expected to directly generate gross income of around £11 million in the first full year of operations.

There is a high degree of cross-party and cultural partnership support for this key Southwest project. The capital campaign has now raised over £128 million of the target of £131million, including £84 million committed from Bristol City Council, £5.18 million from HM Treasury, £16.2 million from the Arts Council England, £4.75 million from the National Lottery Heritage Fund, £11.8 million from WECA plus a number of generous individual donations from £25,000 to £1,000,000 and over 450 individual seat sponsorship gifts from across the community.

The project is on track for reopening on 30th November 2023 with a specially commissioned concert produced by Paraorchestra in collaboration with Surgeons Girl, Charles Hazlewood and Limbic Cinema to reconnect us to the newly transformed space. A full autumn season is planned, and tickets went on sale at the end of March 2023. These are selling well with over 30% of capacity already sold.

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 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.

The Audit, Risk and Resources Committee is 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 four times a year.

The Creative Learning and Engagement (CLE) Committee is a sub-committee of the Board with responsibility for oversight of the educational and community work of the organisation. Matters of responsibility include: the recommendation of education policy and delivery to the Board for approval; the recommendation of the CLE 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 safeguarding and financial performance. The membership of this Committee comprises a minimum of three Trustee members (including the Chair of the CLE Committee), appointed by the Board, and independent experts may be invited by the Chair of the CLE Committee with the approval of the Board. The Chief Executive and Director of Creative Learning & Engagement are invited to attend the Committee and a quorum comprises a minimum of two Trustee members. The Committee normally meets four times a year. One of the members of the Committee has specific responsibility for overseeing and reporting on safeguarding issues.

The Capital Fundraising Group is a sub-committee of the Board with responsibility for steering the overall capital fundraising for the Bristol Beacon 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; 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 project for the Bristol Beacon redevelopment Phase 2 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 Executive Director: Growth and Regeneration, Stephen Peacock as Senior Reporting Officer. The BMT Chief Executive represents Bristol Music Trust on the 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, including external experts, trustees 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 to meet agreed client facility requirements. The group is chaired by a specialist advisor to BMT, Charles Wilson. 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 be involved 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 Trustees is four years and he or she is eligible for re-election by the Board for one further term of four years. This term may exceptionally be extended by the approval of the Board. The Trustees serve as volunteers and receive no payment for their work for the charity, apart from the BMT Chief Executive who is also a Trustee.

Induction & Training

All 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. No Trustees received remuneration in the year, apart from the BMT Chief Executive. Details of Trustees' expenses and related party transactions are disclosed in notes 8 and 24 to the accounts, respectively.

The pay of the Senior Management Team is reviewed annually and is normally increased in accordance with average earnings or inflation. 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 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 continued a campaign aimed at the public for our capital project, principally directed at selling seats in the new auditorium.

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, counter measures, 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
Public sector arts funding reduces. BCC SLA funding has been withdrawn from 1 Dec 2023 due to local govt funding pressures. This means in 2024/25 and 2025/26 BMT will suffer a £526k pa. reduction.	<ul style="list-style-type: none"> • BMT NPO funding agreed 2023/24 to 2026/27 at standstill. • Business plan has shifted balance to increase commercial and voluntary income on re-opening with better facilities and programme. • Some cost cutting proposed in 24/25.
Need to manage adequate level of reserves for re-opening business.	<ul style="list-style-type: none"> • Risk calculation suggests need c£850k reserves to meet risks. • Reserves will be depleted to around £450k in reopening year so will need to be rebuilt post opening. • BMT has appropriate governance and performance monitoring in place with a solid financial management record. • Business plan aims to grow reserves steadily post opening.
Event and Trading income lower than budget. Income forecasts post-opening not met.	<ul style="list-style-type: none"> • Costs have been tightly controlled in closure and COVID-19 period. • Commercial client bookings are building back well post-COVID-19 • Post opening business plan has increased income needed from these areas and new business development strategy being pursued. Commercial business development and marketing underway to secure ongoing income.
Inflationary pressure on overheads (energy) and salary costs are underestimated.	<ul style="list-style-type: none"> • Reforecasts done quarterly reflecting energy increase. • Contingency built into financial model.

	<ul style="list-style-type: none"> • Current inflation in model 3% overheads and 5% salaries and salary review undertaken in 2022 and 2023 across the organisation.
Financial model assumptions not adequate	<ul style="list-style-type: none"> • Good track record of forecasting • Contingency built into financial model • Reforecasts done quarterly • Assumptions tested by ARRC Trustees, EY Review and ACE Consultant review and believed adequate.
Succession planning for Board fails to produce strong Chair and diverse Board Executive succession planning fails to secure ongoing strong leadership	<ul style="list-style-type: none"> • Current Chair and Board actively engaged in Board succession planning with candidates approached. • Trustee group and consultant working on executive succession planning requirements.
Failure to deliver Capital Transformation Project to time or within 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 • Legal agreement between BCC and contractor to mitigate the risk to BMT
Bid for leadership role in regional Music Education Hub - risk to core revenue income if BMT do not retain leadership role and delivery is affected and potential difficult management issues absorbing management resource.	<ul style="list-style-type: none"> • Discussions about leadership role with other bidders to agree status pre-bid. • Discussions with ACE to position BMT positively.

AIMS AND ACTIVITIES

Charitable Aims

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

The first is to manage the operations of Bristol Beacon, Bristol's largest permanent 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 new building 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 Southwest of England; working in partnership with city wide organisations, leading on musical education through the CLE team, commissioning new works, supporting local musicians, and promoting music across all communities to build on the vibrant talent already in the city. 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 integrate these two aims and 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 in our communities.

Charitable Activities

Bristol Music Trust manages the operations of Bristol Beacon to provide artistic and educational benefits to the people of Bristol and the Southwest of England. During closure of the auditoria for the redevelopment project, BMT has continued to programme an impressive and varied programme of performance events at over 30 other venues in Bristol and to deliver music education teaching, courses, and facilities to the region. 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.

The FY 2022/23 has seen us rebuild our live events business post COVID-19. We promoted 180 live events ourselves, 18 were co-promotions and we curated 6 festivals in the year, selling and issuing 50,000 tickets across 37 venues. The commercial business has seen many old clients return and the development of new interest in the building with the team producing 171 events in the year.

Under the umbrella of Creative Learning and Engagement (CLE), BMT operates the Arts Council England funded Music Education Hub for the City of Bristol as well as delivering many other music education projects. Across the CLE work, BMT aims to work with its strategic partners to deliver a coherent musical educational programme spanning formal and non-formal music education and ensure that every young person has access to high quality music learning opportunities and a platform for musical expression. BMT CLE team leads music education in Bristol, providing expertise and support to schools, community, and cultural organisations, and delivering the National Plan for Music Education to schools and their communities.

CLE and the Trust will continue to work with a variety of partner organisations including performance partners such as the LSO, Bournemouth Symphony Orchestra and the Paraorchestra; education and delivery partners such as Open Up Music with the National Open Youth Orchestra 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.

The Trust's aims are also to develop a strategic and wider remit in 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 Southwest which reflects the focus of the concert hall and work of the CLE team in benefiting the community in Bristol and the surrounding area.

Charges are currently made to the public to attend performances, and this will continue. Charges will be in line with those charged by other charitable arts organisations and will be set at a level which reflects 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 Bristol Beacon'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. We have a variety of other subsidised ticket schemes for young people to encourage attendance at our other jazz, folk and world music promotions.

In addition, several performances and events are free for the public, including regular foyer performances. Many of the educational workshops run by the CLE team are also free to young people and we provided 1,800 bursaries for lessons, ensemble memberships and events in 22/23. 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 Bristol Beacon is invited to bring a personal assistant or companion who will be admitted free of charge.

Relationships with Related Parties

Bristol City Council originally leased Bristol Beacon (and associated assets) to Bristol Music Trust for a 25-year period at a peppercorn rent. During the redevelopment period, this lease has been surrendered and replaced with a Development Agreement covering the use of the foyer building (not included in the redevelopment project), access to the old building and the terms of the new lease to be entered into on completion of the redevelopment works. The new lease will be for a 32-year term and is at a peppercorn rent. Under its terms, Bristol City Council retains responsibility for structural maintenance and insurance of the whole site. Bristol Music Trust has responsibility for day-to-day maintenance of the foyer building, contents insurance and all other operational matters.

The operation of Bristol Beacon 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 until reopening of the refurbished building in November 2023.

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 Bristol Beacon, and the provision of box office services to other arts organisations) for the benefit of the charity, and all profits are 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 Bristol Beacon and other services.

ACHIEVEMENTS AND PERFORMANCE

Bristol Music Trust has now been trading for twelve 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 Southwest.

Bristol Beacon Artistic Programme

2022/23 was the first full year of post-pandemic programming where the industry was more or less back to full strength and audiences started to venture out to shows once again. This was clearer with younger audiences who seemed keen to get back to shows but older audiences appeared slower to return. The anecdotal reasoning seems to be less to do with the pandemic and more to do with older audiences falling out of the habit of attending shows.

Overall, we saw almost 50,000 tickets (both sold and free) issued and gross ticket income of £1.1m against a target of 46,000 tickets and £1m gross income and compared with 24,000 tickets issued and £375k gross income in 2021/22.

Bristol Beacon had a busy year with around 180 shows in 37 different venues across Bristol and Bath including three festivals and our larger scale harbourside shows finally taking place after multiple pandemic reschedules. We maintained our broad multi-genre programme throughout the year to ensure we offered a rich mix of artists, music, and experiences for a range of audiences across the city. Highlights included Portico Quartet, Jose Gonzalez, London Symphony Orchestra, Cleveland Watkiss, Hermeto Pascaol, Lady Blackbird, Hania Rani, Cedric Burnside, Rolling Blackouts Coastal Fever, Sister Cookie, William Basinski, Gretchen Peters, Tank and the Bangas, Brandy Clark, Soumik Datta, Lady Nade, Plaid and Max Cooper.

Over the weekend of 5th of 8th May '22 we held our biannual contemporary music festival *Bristol New Music* (BNM) in partnership with St George's, Spike Island, Arnolfini and Bristol University. Artist highlights included the Mica Levi Ensemble, Still House Plants, Ellen Arkbro, Beatrice Dillon and Kuljit Bhamra, Coby Sey and the London Contemporary Orchestra, Angel Bat Dawid, Bendik Giske and Marina Herlop. We also presented a number of new commissions within the 2022 iteration of BNM including the Mica Levi show, a community project in Easton put together by the artist Aine O'Dwyer, a day of performances by Kelly Jane Jones that took place in the hollow structural support of the Clifton Suspension Bridge and the world premiere of a new work by Verity Standon called *Polyphony*; a project we partnered with Mayfest on and presented in an empty shop in the Galleries shopping centre.

In June/July we had our last *River Town* festival take place in multiple venues across the city. We will continue to programme Americana music but have decided to retire the festival as it was getting more difficult and expensive to programme that number of international artists in such a short period and we felt that it would be more effective to start a new and more expansive festival when we reopen. The 2022 line-up included The War and Treaty, Lucinda Williams, Amy Helm, Hiss Golden Messenger, Mama's Broke, Adia Victoria, Lee Fields, Richard Hawley, The Dead South and Judy Collins.

In June we delivered our first concerts in the beautiful setting of the Belmont Estate walled garden located in Wraxall just outside of Bristol. These were a mix of jazz and classical and worked well in the space, so we are looking to repeat these in summers to come.

In July we finally delivered our Chic and Nile Rodgers shows as well as Belle and Sebastian and Django Django at the Lloyd's Amphitheatre on the Harbourside. These had been delayed for two

years due to COVID-19 and were a huge success. Both the Chic and Nile Rodgers shows sold out at a 5,000 capacity each night and we sold 3,500 tickets for Belle and Sebastian and Django Django. We have decided not to do any large-scale outdoor shows in 2023 due to the reopening schedule for our own spaces.

We also delivered our flagship children's festival *Hoo Ha* in August 2022. This has grown into a key event in our calendar and our hope is to expand it once we have our own spaces back from the autumn of 2023.

In March 2023 we delivered a concert with the Aurora Orchestra at Bristol Cathedral as part of our commitment to older audiences. This was an immersive concert and experience specifically for care home residents where members of the orchestra played Beethoven's 5th Symphony from memory whilst moving around the audience. This was an incredible experience for both the audience and orchestra and certainly a programme highlight in 22/23 which achieved national press recognition.

Threads of work through the year also include *If You Know You Know* which was a black led arts and networking series that was pulled together by our Jerwood Fellow placement who focussed on events for global majority and queer artists. We also continued with the Tonic Sessions, a female led jazz series in partnership with the Bristol Jazz and Blues Festival.

Industry Development

The industry programme continues to 'develop the music professionals of the future', providing industry experiences across a range of performing and non-performative professions, showcasing and promoting the quality of Bristol's music scene. We hold industry events for young people age 16yrs + alongside a series of creative masterclasses including our recent partnership project with NOODs Radio. CrossTalk 2023 was an all-day event for aspiring creatives, which we co-produced with Bristol-based CIC NOODS Levels. With musical activities and demonstrations spread out across Bridgehouse, attendees could listen to talks from leading creatives in the music, games and publishing industries. Also taking place were interactive workshops in virtual reality with Rocketmakers, a DJ workshop for women, non-binary and gender non-confirming people hosted by Pioneer and Saffron Records, and a live sound workshop with our own Bristol Beacon technical team. In addition to this event, we were granted exclusive rights to host the Grime Stories Exhibition by the Museum of London, which ran for one week in the Glass Room. Attendance for the day event reached 300+ over the course of the day, with the majority of the audience being a strongly diverse mix of 18-30-year-olds.

Funding from the PRS Foundation (PRSF) means the Industry Development programme is part of the PRSF national 'Talent Development Partner Network'. In addition, the remaining funding from the National Foundation for Youth Music, has enabled Bristol Beacon to support talented young performers from Bristol's underrepresented communities to develop their craft and get a foothold in the industry through our ongoing project, Future Proof. This works with participants from backgrounds currently unrepresented in the music industries on our journey towards the reopening of the venue, so from January 2022 to November 2023. Participants have been matched with industry professional mentors for 1-2-1 sessions, attend group sessions, access Bristol Beacon events across our programme and are provided with a seed-fund budget to explore a creative idea.

Creative Learning and Engagement

Music Education Hub

The Music Education Hub provides instrumental and singing music lessons in school and out of school across Bristol. In addition, it provides training and CPD for teachers, instruments for schools and inspirational musical experiences all children in Bristol. In July 2022, 59 young musicians from

Bristol Youth Orchestra and Bristol Youth Choir embarked on their first international tour to the Loire region of France. For many this was their first experience performing music abroad and travelling independently. The tour itself was long awaited, with previous tour plans postponed twice due to COVID-19.

The newly launched music centre for music production and popular/commercial music styles, based at Access Creative College's new city centre campus, continued to operate at full capacity and we are exploring ways to expand this provision in the years ahead.

The flagship musical programme for primary schools, Earthsong, continued to grow and develop in 13 schools in Bristol with over 330 children now taking part in regular small group ensembles.

During the year, BMT has delivered over 40,000 individual lessons to Children and Young People across Bristol. Over the next 6 months we will be focused on re-applying for the Hub Lead Organisation status as part of the new DfE Investment Process for Hub funding and launching our brand-new school membership packages for primary, secondary, and special schools.

Community

Bristol Beacon's community engagement programme continues to flourish as we invite all members of Bristol's communities to share, celebrate and participate in creative projects, performances, workshops, networks, and social meetups.

During 2022-23 we expanded and consolidated our arts and health projects, using creativity to positively impact health and wellbeing outcomes for Bristol's most vulnerable people, including adults living with dementia, those with mental health challenges and brain injuries and post-natal depression. Working closely in partnership with social prescribing and health care support services, Referrals to these activities grew week on week, as our projects became recognised and acknowledged across the city.

For young people with additional needs and care experienced young people we continued to deliver FLOW Creative and the National Open Youth Orchestra Bristol Centre, the UK's first inclusive youth orchestra for disabled and non-disabled musicians. Through this work we engage over 120 young people weekly, offering social and safe creative spaces for young people to make music and create. We were also incredibly proud to receive a national Creative Lives award, recognising the powerful work we do through Hope Creative for care experienced young adults.

Over 1,500 people participated in Inside Out, a free discovery day at Bristol Beacon that included, Samba and DJ workshops, and performances from local Bristol acts.

We continue to develop our practice and understanding of the needs of these groups, working even more closely with support services and partners including Bristol City Council, Family and Children's Services; Inclusion Services; Dementia Wellbeing Service; Bluebell Care and Southmead Development Trust. We have recently piloted a new community advisory group to ensure Bristol Beacon remains relevant, connected and representative of the communities it serves.

ORGANISATION

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 during the closure period for redevelopment.

Bristol Beacon 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.

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 Southwest's most successful businesses and have continued to build on strong public and corporate support for our music and educational activity.

In addition to the support we have received from Bristol City Council, we have raised almost £2.6 million in voluntary income for our music and education programmes. This is in addition to capital fundraising of £2.1 million in the year. In 2017, KPMG calculated that the economic impact generated by the concert hall in terms of Gross Value Added (GVA) – a measure of the economic value of goods and services generated as a result of the concert 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.

FINANCIAL REVIEW

Financial Results

Bristol Music Trust's twelfth year of activity from 1 April 2022 to 31 March 2023 has been about rebuilding activity after COVID-19 and starting to implement plans for reopening including staff recruitment plans and other foyer improvements. It resulted in a planned unrestricted deficit of £54,302 after the agreed investment in the salary review, the programme and CLE work. This resulted in an unrestricted net decrease in funds on total income of £6,694,538 (2022: £15,004,403). The difference in income in the year is mainly accounted for by capital fundraising. With funds of £1,056,509 brought forward from 2022 this results in £1,002,207 in unrestricted funds to be carried forward.

There has been a total net decrease in funds over the year of £28,585 due to the deficit. Total fund balances of £3,199,689 (2022: £3,228,274) will therefore be carried forward to the next financial year.

The charity received unrestricted funding of £1,026,000 from Bristol City Council, £248,235 NPO grant funding from Arts Council England and £577,815 of Music Education Hub grant funding from DfE via ACE. This was used in full to support the activities of the organisation through the year. Additional unrestricted voluntary funding of £344,476 (2022: £592,711) has been generated for day-to-day activities from unrestricted grants, public donations, corporate sponsorship, and from both the membership and patron schemes.

In addition, £1,337,642 of grant and donations, drawdown from ACE and NLHF capital grants have been received in the year for the capital transformation project and £686,580 from private donors and trusts and foundations. Of the income received and restricted capital project funds balances brought forward, £2,024,222 is carried forward after in-year costs of £744,317 for the Trust's own project costs and for transfer to Bristol City Council under the terms of the Collaboration Agreement for construction and design costs on the project.

The charity benefited from a gift-aided contribution of £109,591 (2022: £78,646) which represented the 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 Hall stalls and terrace bar and box office services to external arts

organisations. This business has been rebuilt this year with 171 events delivered and the gross margin on target at 56%.

During the year the Trust made fixed asset investments of £368,989 including the purchase of an electric van, the new Steinway piano, lighting improvements and the refurbishment of the toilet facilities and box office in the foyer building in advance of reopening.

Total net assets (total assets less total liabilities) and charity funds of £3,199,689 are reported as at 31 March 2023 (2022: £3,228,274). Cash at bank and in hand totals £5,440,002 (2022: £14,584,334) of which £515,099 (2022: £554,270) relates to advance ticket sales and £4,129,231 (2022: £12,540,461) relates to funding for the capital transformation project. The Trustees have agreed that the designated Fixed Asset Fund should be increased to cover the net book value of the organisation's fixed assets as at the financial year end (£432,675), and therefore approved a transfer of £294,704 from the General Fund as at 31 March 2022.

Reserves Policy

The total level of unrestricted funds being the General Fund plus Designated Funds (less Fixed Assets fund) as at the end of the year is £569,533.

The Trustees reviewed the reserves policy during the year and agreed on a long-term strategy to build the charity's general reserves further over time once the building project is complete. It is now proposed to link the reserves policy on the minimum level of free reserves to be retained, to the business risk register. This identifies the major business risks and likely reserves needed to mitigate or overcome the risks if they occurred. This is currently set at £850,000.

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 manage the Trust's operational cash flow effectively and transparently. 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 such 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

As expected, the financial year to 31/3/2023 resulted in a planned deficit of £54,302 after the planned investment of £53,000 in the salary review, the investment of the designated Programme Reserve of £60,000 to support the LSO Livestreamed concerts and the investment of £30,000 from the CLE reserve to support the review and reorganisation of the CLE team.

The current financial year 2023/24 will involve developing the staff team and preparing for reopening. The capital refurbishment project is on track to complete in September 2023 which is two months later than was hoped for and opening will now be at the end of November 2023. The ongoing delay in opening significantly affects the letting and commercial income since 40% of this annual income is earned in October and November. BMT is protected from this by the arrangement for support for extension costs from the capital project. The autumn 2023 season is now largely on sale and tickets have been selling well with 30% of capacity already sold.

For the future, there is now more clarity about the next three years given the successful application for ACE NPO status from 24/25 to 2026/27. BCC has also confirmed that the SLA

grant payments will cease on reopening from 1 December 2023. The Business Plan has been revised on this basis for the three years to 2026/27. In 2024/25, the loss of BCC grant has been compensated for with a shift to a slightly increased number of commercial letting shows; increased voluntary income based on current trends of major capital Patrons continuing their giving but shifting it to the core business; increased food and beverage and conference income based on contracts already signed for University graduation ceremonies and some staff reorganisation with the appointment of a new CEO in 2024.

Thereafter the assumption is for consolidation and some inflationary price increases only but no major volume related increases in income for the following couple of years. Inflation is assumed to reduce nearer to 3% by 2025. Cashflow is managed careful with ticket income held in a separate bank account to operating cash. Cash balances remain adequate as the business reopens and grows over the next two years.

BMT has invested during the closure period in a number of business improvement projects to increase productivity through increased operational and system integration efficiencies. These have been completed prior to opening and are expected to deliver significant improvements in the way we work, enabling us to deliver more events than previously.

BMT is well networked in the city to identify any new competitive threats. The new Arena in Filton on the Brabazon site is expected to be around 5,000 capacity and to be open in 2025 or early 2026. It is not expected to affect BMT's business in a major way since the programme will be larger arena rock and pop bands.

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 first appointed during the financial year 2011/12 and have been reengaged for the financial year 2022/23. 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 Audit Resources and Risk Committee on behalf of the Board of Trustees on 3 October 2023, and was signed on their behalf by:



.....
Simon Chapman (Chair)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRISTOL MUSIC TRUST

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 2021 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 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 2022 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within 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 Directors' Report or the Strategic Report included within 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 and sufficient 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Keeping Children Safe in Education under the Education Act 2002 and data

protection legislation (General Data Protection Regulation). We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates, testing a sample of invoices raised and income recognized in the year to source documentation including contracts, funding agreements and other donation documentation.

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
Second Floor
1 The Square
Temple Quay
Bristol
BS1 6DG
Date 25 October 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) for the year ended 31 March 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Income					
Voluntary income	1	1,618,711	3,062,377	4,681,088	13,806,801
Charitable activities income	2	1,647,110	-	1,647,110	973,482
Other trading activities income	3	338,806	-	338,806	220,481
Investment income	4	27,534	-	27,534	3,639
Total income		3,632,161	3,062,377	6,694,538	15,004,403
Expenditure					
Raising voluntary income	5	17,487	-	17,487	22,558
Charitable activities costs	6	3,439,761	1,299,343	4,739,104	4,017,218
Other trading activities costs	5	229,215	-	229,215	139,045
Capital transformation project	7	-	1,737,317	1,737,317	11,490,141
Total expenditure		3,686,463	3,036,660	6,723,123	15,668,962
Net income/(expenditure)	11	(54,302)	25,717	(28,585)	(664,559)
Transfers between funds		-	-	-	-
Net movement in funds	19	(54,302)	25,717	(28,585)	(664,559)
Total funds brought forward		1,056,509	2,171,765	3,228,274	3,892,833
Total funds carried forward	19	1,002,207	2,197,482	3,199,689	3,228,274

The consolidated 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.

BALANCE SHEET

	Notes	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Fixed assets					
Tangible assets	12	432,675	137,971	418,993	122,220
Investment in subsidiary	13	-	-	1	1
Total fixed assets		432,675	137,971	418,994	122,221
Current assets					
Stock	14	4,452	4,786	53	-
Debtors	15	727,510	834,628	832,173	1,009,647
Cash at bank and in hand					
- Operational		795,672	1,489,603	639,173	1,332,098
- Advanced Ticket Sales		515,099	554,270	515,099	554,270
- Restricted Capital Funds		4,129,231	12,540,461	4,129,231	12,540,461
Total current assets		6,171,964	15,423,748	6,115,729	15,436,476
Total assets		6,604,639	15,561,719	6,534,723	15,558,697
Liabilities					
Creditors: amounts falling due within one year	16	(3,353,920)	(12,233,445)	(3,284,004)	(12,230,423)
Net current assets		2,818,044	3,190,303	2,831,725	3,206,053
Total assets less current liabilities		3,250,719	3,328,274	3,250,719	3,328,274
Creditors: amounts falling due after more than one year	17	(51,030)	(100,000)	(51,030)	(100,000)
Net Assets		3,199,689	3,228,274	3,199,689	3,228,274
The funds of the charity					
Restricted funds	19	2,197,482	2,171,765	2,197,482	2,171,765
Unrestricted funds	19				
- General fund		479,532	438,538	479,532	454,289
- Designated funds		522,675	617,971	522,675	602,220
Total charity funds		3,199,689	3,228,274	3,199,689	3,228,274

The parent charitable company made a total deficit for the year of £28,585 (2021: 664,559) including restricted funds.

The financial statements on pages 26 to 48 were approved by the Board of Trustees on 12 October 2023 and are signed on their behalf by:

A handwritten signature in black ink, appearing to read 'S. Chapman', with a long horizontal flourish extending to the right. The signature is positioned above a dotted line.

Simon Chapman (Chair)

STATEMENT OF CASHFLOWS

	Notes	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash generated by operating activities	21	(8,802,877)	(2,082,299)	(8,807,648)	(2,188,726)
Cash flows from investing activities					
Interest Income		27,534	3,639	27,534	3,639
Sale of fixed Assets		-	1,120	-	1,120
Purchase of tangible fixed assets		(368,989)	(81,628)	(363,213)	(63,791)
Total cash flows from investing activities		(341,455)	(76,869)	(335,679)	(59,032)
(Decrease)/Increase in cash for the year		(9,144,332)	(2,159,168)	(9,143,327)	(2,247,758)
Total cash brought forward		14,584,334	16,743,502	14,426,830	16,674,587
Total cash carried forward		5,440,002	14,584,334	5,283,503	14,426,829

ACCOUNTING POLICIES

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 2019.

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 2022 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. In reaching this conclusion, they have reviewed the income and expenditure and cashflow forecast for the financial year 2023/24 together with the budget and cashflow for 2024/25.

For the current financial year 2023/24, the budget shows a planned deficit as staff are recruited in advance of opening and income is restricted due to the late opening at the end of November, thus losing two critical months of lettings and commercial income. This cannot be made up later in the year because major music tours are organised with a long lead time and at specific times of the year. The refurbishment project is compensating BMT for business disruption and extension of time costs.

The planned deficit will reduce free reserves to around £560k which is below the minimum to be retained as set by trustees in the reserves policy at £850k.

For the following financial year 2024/25, the budget and cashflow assume a small surplus and are based on the assumptions of steady consolidation rather than any major growth in volume of activity. The budget has been subject to sensitivity analysis by trustees who serve on ARRC, the Senior Management Team and external consultants appointed by both ACE and BCC to test the assumptions.

The Trust is reopening the refurbished Bristol Beacon complex after a 5-year closure period. This has involved a renegotiation of the relationship with Bristol City Council which owns the building freehold and has provided revenue funding in the past. Heads of Terms have been negotiated (and agreed with Arts Council England) from which a Letter of Intent has been signed between BMT and BCC. This provides for the grant of a 32-year lease of the complex to BMT at a peppercorn rent. In return BCC will continue to have the right to appoint a Trustee and to serve on the Audit Risk and Resources Committee.

The Trustees consider there are no material uncertainties that would cast significant doubt around the Group's and the Charitable Company's ability to operate as a going concern for a period of at least 12 months from the date of approval of the financial statements.

CAPITAL TRANSFORMATION PROJECT

The redevelopment of the Bristol Beacon is subject to and accounted for in line with a Development Agreement with Bristol City Council (BCC) which replaced the previous lease. Under this agreement, the risks and rewards of ownership of the building are retained by BCC so no asset is recognised by BMT at this stage of the project.

Under the terms of the agreement BMT has taken the lead on fundraising for the project and recognises the income received when there is evidence of entitlement, probability of receipt and the income can be reliably measured. The delivery of the project and its associated costs are borne by BCC and expenditure is recognised when costs incurred are invoiced by BCC in line with the agreement.

INCOME

Voluntary income includes the Service Level Agreement payments from Bristol City Council which are of a general nature. Income from grants and donations is recognised when there is evidence of entitlement, probability of receipt and they can be reliably measured. Grant funding received in relation to specific projects (for example education projects) is recognised as restricted funding.

Income from charitable activities includes hall hire income, box office sales from BMT own promotions, income from 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 Bristol Beacon, 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 Bristol Beacon 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
Steinway Piano	32 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 Bristol Beacon and contained within the building at the start of the lease will be left at the premises for the term of the new 32-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 a Steinway piano 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 cap 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 22.

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. Due to the material balance of the building refurbishment

project, it has been split out into a separate restricted fund in note 19 under the heading 'BB Phase 2 – Capital Transformation Project'.

NOTES TO THE FINANCIAL STATEMENTS

1. VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Core Activities				
Bristol City Council – core funding	1,026,000	-	1,026,000	1,026,000
Music Education Hub funding	-	577,815	577,815	577,436
Other grants	248,235	37,933	286,168	1,117,197
Trusts and foundations	22,000	348,606	370,606	379,996
Individual donations	257,842	73,801	331,643	37,610
Memberships	7,689	-	7,689	2,269
Sponsorship	56,945	-	56,945	19,500
Core Activities: voluntary income	1,618,711	1,038,155	2,656,866	3,160,008
Capital Transformation Project				
Other grants	-	1,337,642	1,337,642	10,316,620
Trusts and foundations and other sources	-	686,580	686,580	330,173
Bristol Beacon Phase 2 - Transformation Project: voluntary income	-	2,024,222	2,024,222	10,646,793
Total voluntary income	1,618,711	3,062,377	4,681,088	13,806,801

Voluntary income was £4,681,088 (2022: £13,806,801) of which £1,618,711 was unrestricted (2022: £1,532,576) and £3,062,377 was restricted (2022: £12,274,225).

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Hall and space lettings	8,968	-	8,968	10,549
Own and co-promotions	820,900	-	820,900	330,861
Education activities	756,734	-	756,734	599,011
Other event income	60,508	-	60,508	33,061
Total income from charitable activities	1,647,110	-	1,647,110	973,482

Income from charitable activities was £1,647,110 (2022: £973,482), this was all unrestricted (2022: all unrestricted).

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

	2023	2022
	£	£
Turnover	338,806	220,481
Cost of sales	(128,047)	(117,369)
Gross profit	210,759	103,112
Administrative expenses	(101,168)	(24,466)
Net income from trading activities	109,591	78,646
Balance brought forward	-	-
Gift aid payment to Bristol Music Trust	(109,591)	(78,646)
Retained in subsidiary	-	-
Total assets	345,850	252,222
Total liabilities	(345,849)	(252,221)
Net assets	1	1
Share capital and reserves	1	1

4. INVESTMENT INCOME

	2023	2022
	£	£
Bank interest	27,534	3,639

5. COSTS OF RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	2023 £	2022 £
Costs of trading activities				
Cost of sales	128,047	-	128,047	114,580
Staff costs	76,985	-	76,985	-
Other support costs	24,183	-	24,183	24,465
	229,215	-	229,215	139,045
Costs of raising voluntary income				
Direct costs of fundraising	17,487	-	17,487	22,558
	17,487	-	17,487	22,558
Total costs of raising funds	246,702	-	246,702	161,603

The costs of raising funds were £246,702 (2022: £161,603), this was all unrestricted (2022: all unrestricted).

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 Funds 2023	Total Funds 2022
	£	£	£	£
Direct costs of charitable activities				
Hall and space lettings	8,446	-	8,446	9,237
Own and co-promotions	857,507	-	857,507	588,659
Education activities	729,917	1,299,343	2,029,260	794,584
Other event income	20,484	-	20,484	8,648
	1,616,354	1,299,343	2,915,697	1,401,128
Support costs of charitable activities				
Staff costs	1,552,192	-	1,552,192	1,942,198
Premises costs	70,044	-	70,044	204,105
Other supplies and services	131,149	-	131,149	373,335
Marketing costs	70,022	-	70,022	96,452
	1,823,407	-	1,823,407	2,616,090
Total costs of charitable activities	3,439,761	1,299,343	4,739,104	4,017,218

Costs of charitable activities were £4,739,104 (2022: £4,017,218) of which £3,439,761 was unrestricted (2022: £2,514,012) and £1,299,343 was restricted (2022: £1,502,706).

7. COSTS OF CAPITAL TRANSFORMATION PROJECT

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Direct costs of capital transformation project				
Staff costs	-	-	-	48,886
Funds allocated to Bristol City Council for project delivery costs	-	993,000	993,000	10,685,561
Direct and indirect fundraising costs	-	31,348	31,348	14,363
Other support costs	-	712,969	712,969	741,331
Total costs of capital project	-	1,737,317	1,737,317	11,490,141

8. GOVERNANCE COSTS

	2023	2022
	£	£
Audit	20,000	17,200
Accountancy fee	5,600	5650
	25,600	22,850

9. STAFF COSTS

The average monthly number of persons employed by the charity during the year was as follows:

	2023	2022
	No.	No.
Employees	98	95
Casual workers	30	36
Monthly total	128	131

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:

	2023	2022
	£	£
Wages and salaries	2,135,245	1,896,022
Social security costs	189,606	153,053
Pension costs	180,406	175,941
Agency staff	26,074	21,362
Training, recruitment and allowances	33,692	21,813
Termination payments	-	10,536
Total staff costs	2,565,023	2,278,727

Staff costs for the executive team (key management personnel) including employer pension contributions totalled £694,103 for the year (2022: £648,708) for twelve members of staff (2022: twelve). During the year no redundancy or termination payments were made (2022: £10,536 to one employee).

Two employees (2022: two) received total emoluments (excluding employer pension contributions) of more than £60,000 within the following bands:

	2023	2022
	No.	No.
£70,001 - £80,000	1	1
£80,001 - £90,000	0	-
£90,001 - £100,000	0	1
£100,001 - £110,000	1	-
	2	2

The above employees earning more than £60,000 per annum participated in the Defined Contribution Pension Scheme. During the year ended 31 March 2023, the pension contributions for staff in these bands amounted to £8,587 (2022: £8,178).

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 £597 (2022: £597).

None of the members of the Board of Trustees received any remuneration except for the CEO who is remunerated for her role as CEO and not as Trustee. During the year Trustees received reimbursements of personal travel and subsistence expenditure that amounted to £0 (2022: £0).

10. DIRECTORS' REMUNERATION

	2023	2022
	£	£
Remuneration for qualifying services	100,022	95,259
Company pension contributions to defined contribution schemes	5,001	4,763
	<u>105,023</u>	<u>100,022</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to one (2022: one).

11. NET INCOME/(EXPENDITURE)

	2023	2022
	£	£
This is stated after charging:		
Depreciation	74,285	50,901
Operating Leases		
- Plant & machinery	777	2,656
- Office & equipment	9,430	8,526
Audit fee	20,000	17,200
Stock expense	-	4,960

12. TANGIBLE FIXED ASSETS

	Plant & Machinery	Motor Vehicles	Office Equipment	IT Equipment	Fixtures & Fittings	Musical Instruments	Total
	£	£	£	£	£	£	£
Group:							
Cost							
01-Apr-22	241,852	-	5,322	119,508	193,833	3,961	564,476
Reclassification	-	-	(5,322)	-	5,322	-	-
Additions	17,649	54,995	-	3,055	150,751	142,539	368,989
Disposals	-	-	-	-	-	-	-
31-Mar-23	259,501	54,995	-	122,563	349,906	146,500	933,465
Depreciation							
01-Apr-22	(132,181)	-	(3,855)	(97,432)	(191,101)	(1,936)	(426,505)
Reclassification	-	-	3,855	-	(3,855)	-	-
Charge for the year	(38,695)	(7,333)	-	(15,781)	(9,802)	(2,674)	(74,285)
Disposals	-	-	-	-	-	-	-
31-Mar-23	(170,876)	(7,333)	-	(113,213)	(204,758)	(4,610)	(500,790)
Net book value							
31-Mar-23	88,625	47,662	-	9,350	145,148	141,890	432,675
31-Mar-22	109,671	-	1,467	22,076	2,732	2,025	137,971
Company:							
Cost							
01-Apr-22	213,392	-	5,322	106,780	101,024	3,961	430,479
Reclassification	-	-	(5,322)	-	5,322	-	-
Additions	17,649	54,995	-	3,055	144,975	142,539	363,213
Disposals	-	-	-	-	-	-	-
31-Mar-23	231,041	54,995	-	109,835	251,321	146,500	793,692
Depreciation							
01-Apr-22	(117,075)	-	(3,855)	(86,530)	(98,863)	(1,936)	(308,259)
Reclassification	-	-	3,855	-	(3,855)	-	-
Additions	(32,415)	(7,333)	-	(14,954)	(9,064)	(2,674)	(66,440)
Disposals	-	-	-	-	-	-	-
31-Mar-23	(149,490)	(7,333)	-	(101,484)	(111,782)	(4,610)	(374,699)
Net book value							
31-Mar-23	81,551	47,662	-	8,351	139,539	141,890	418,993
31-Mar-22	96,317	-	1,467	20,250	2,161	2,025	122,220

13. INVESTMENTS

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
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).

14. STOCKS

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Stock	4,452	4,786	53	-

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

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Trade debtors	217,484	97,190	68,295	48,772
Other debtors	191,331	288,282	191,331	287,890
Amounts owed by group	-	-	275,933	225,478
Prepayments	99,134	137,776	83,072	136,400
Accrued income - Capital	41,542	102,792	41,542	102,792
Accrued income	178,019	208,588	172,000	208,315
	727,510	834,628	832,173	1,009,647

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Trade creditors	401,242	11,362,332	392,947	11,350,546
Other taxation and social security costs	47,374	54,330	47,374	54,330
Pension contributions payable	23,892	21,324	23,892	21,324
Other creditors	2,524,815	67,881	2,466,088	61,459
Amounts owed to group	-	-	-	23,720
Accruals	224,734	242,002	221,840	239,747
Deferred income (Note 18)	131,863	485,576	131,863	479,297
	3,353,920	12,233,445	3,284,004	12,230,423

Other creditors includes an amount of £2,000,000 of capital fundraising owed to BCC (2022: £10,685,561 in Trade Creditors).

Deferred income includes advance ticket income of £81,863 (2022: £470,501).

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

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	Group	Company	Company
	2023	2022	2023	2022
	£	£	£	£
Long Term Loans	51,030	100,000	51,030	100,000
	51,030	100,000	51,030	100,000

The long-term loan is a 6-year loan from the social investment company Resonance Impact Investment through WCS Nominees Ltd. The loan matures annually from 1 October 2022 until 30 September 2024. The Company will make monthly repayments of the borrowings. Interest was charged at 1.75% pa until 1 October 2022 and 2.75% from then until the end of the term. All borrowings are denominated and repaid in pounds sterling.

18. DEFERRED INCOME

	Group	Company
	£	£
Balance as at 1 April 2022	485,576	479,297
Amount released to income from charitable activities	(485,576)	(479,297)
Amount deferred in the year	131,863	131,863
Balance as at 31 March 2023 (Note 16)	131,863	131,863

Deferred income includes advance ticket income of £81,863 (2022: £470,501).

19. ANALYSIS OF CHARITABLE FUNDS

	Balance at 01-Apr-22	Income	Expenditure	Transfer between Funds	Funds at 31-Mar-23
	£	£	£	£	£
Restricted funds					
Music Education Hub	-	636,174	636,174	-	-
Youth Music	60,882	133,883	194,765	-	-
EarthSong Foundation	66,571	105,746	124,294	-	48,023
Paul Hamlyn Foundation	248,005	13,900	195,658	-	66,247
Lantern Projects	-	72,705	72,705	-	-
Community Engagement Programme	-	75,747	75,747	-	-
	375,458	1,038,155	1,299,343	-	114,270
Restricted funds: BB Phase 2 - Capital Transformation Project					
Arts Council Capital Funding	-	1,337,642	-	-	1,337,642
National Lottery Heritage Fund	-	255,239	255,239	-	-
West of England Combined Authority	636,277	-	636,277	-	-
Other Capital Funding Sources	1,160,030	431,341	845,801	-	745,570
	1,796,307	2,024,222	1,737,317	-	2,083,212
	2,171,765	3,062,377	3,036,660	-	2,197,482
Unrestricted funds:					
General fund	438,538	3,632,161	3,686,463	95,296	479,532
Designated funds	-	-	-	-	-
CLE Reserve	120,000	-	-	(30,000)	90,000
Programme Reserve	60,000	-	-	(60,000)	-
ACE Business reserve	300,000	-	-	(300,000)	-
- Fixed Assets Fund	137,971	-	-	294,704	432,675
	1,056,509	3,632,161	3,686,463	-	1,002,207
Total funds	3,228,274	6,694,538	6,723,123	-	3,199,689

19. ANALYSIS OF CHARITABLE FUNDS *(continued)*

	Balance at 01-Apr-21	Income	Expenditure	Transfer between Funds	Funds at 31-Mar-22
	£	£	£	£	£
Restricted funds					
Cultural Recovery Fund		800,000	(500,000)	(300,000)	-
Music Education Hub	-	577,436	(577,436)	-	-
Youth Music	112,407	78,099	(129,624)	-	60,882
EarthSong Foundation	48,838	82,647	(64,914)	-	66,571
Paul Hamlyn Foundation	389,486	-	(141,481)	-	248,005
Community Engagement & Industry Development Programme	-	89,251	(89,251)	-	-
	550,731	1,627,433	(1,502,706)	(300,000)	375,458
Restricted funds: BB Phase 2 - Capital Transformation Project					
Arts Council Capital Funding	-	9,723,224	(9,723,224)	-	-
National Lottery Heritage Fund	-	82,395	(82,395)	-	-
West of England Combined Authority	925,277	511,000	(800,000)	-	636,277
Other Capital Funding Sources	1,714,379	330,173	(884,522)	-	1,160,030
	2,639,656	10,646,792	(11,490,141)	-	1,796,307
	3,190,387	12,274,225	(12,992,847)	(300,000)	2,171,765
Unrestricted funds:					
General fund	589,121	2,730,178	(2,676,115)	(204,646)	438,538
Designated funds	-	-	-	-	-
- CLE Reserve	-	-	-	120,000	120,000
- Programme Reserve	-	-	-	60,000	60,000
- ACE Business Reserve	-	-	-	300,000	300,000
- Fixed Assets Fund	113,325	-	-	24,646	137,971
	702,446	2,730,178	(2,676,115)	300,000	1,056,509
Total funds	3,892,833	15,004,403	(15,668,962)	-	3,228,274

Cultural Recovery Fund: Arts Council England support for business in the cultural sector affected by COVID-19. Of the £800,000 grant £500,000 was restricted to specific purposes and £300,000 was given to be added to free reserves to support ongoing business activities as decided by Trustees, this amount has therefore been transferred from restricted to unrestricted funds.

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

Youth Music: A continuing grant from the Youth Music Foundation has been allocated to support the project to transform music education in Greater Bristol for children and young people with SEND.

Earthsong Foundation: A grant from the Earthsong Foundations to deliver the Earthsong Programme which delivers enriching opportunities for young people who attend 13 primary schools in Bristol.

Paul Hamlyn Foundation: A multi-year grant to support our community development work with hard-to-reach communities to expand music education provision.

Lantern Projects: Historical interpretation projects in the Lantern venue funded by National Lottery Heritage Fund grants and other fundraising.

Community Engagement Programme: Funds for projects that promote community engagement and the development of new artists.

Bristol Beacon 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.

National Lottery Heritage Fund: The funding is from the total grant award of £4.75m and was used for heritage and community projects.

West of England Combined Authority: A grant of £11.85m has been awarded for the project and this represents the second instalment.

Other funding received was sourced from Trusts and Foundations, private individuals and corporate sponsors.

Unrestricted Designated Funds

CLE Reserve for additional music community and education programmes to support specific areas to be agreed in the business plan.

Programme Reserve for additional programming and the re-opening programme to support specific areas to be agreed in the business plan.

ACE Business Reserve to support forecast income levels of the business, the inherent risks in programme production costs in the core business and to provide for the necessary strength & resilience throughout the transformation project and beyond in support of aims and activities.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund £	Designated Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2022	454,289	602,220	2,171,764	3,228,274
Group:				
Tangible fixed assets	-	432,675	-	432,675
Current assets	3,884,485	90,000	2,197,479	6,171,964
Current liabilities	(3,353,920)	-	-	(3,353,920)
Long term liabilities	(51,030)	-	-	(51,030)
Total Net Assets 31 March 2023	479,535	522,675	2,197,479	3,199,689
Company:				
Tangible fixed assets	-	418,993	-	418,993
Investments	1	-	-	1
Current assets	3,828,250	90,000	2,197,479	6,115,729
Current liabilities	(3,284,004)	-	-	(3,284,004)
Long term liabilities	(51,030)	-	-	(51,030)
Total Net Assets 31 March 2023	493,217	508,993	2,197,479	3,199,689

ANALYSIS OF NET ASSETS BETWEEN FUNDS PREVIOUS YEAR

	General Fund £	Designated Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2021	589,121	113,325	3,190,387	3,892,833
Group:				
Tangible fixed assets	-	137,971	-	137,971
Current assets	12,771,983	480,000	2,171,765	15,423,748
Current liabilities	(12,233,445)	-	-	(12,233,445)
Long term liabilities	(100,000)	-	-	(100,000)
Total Net Assets 31 March 2022	438,538	617,971	2,171,765	3,228,274
Company:				
Tangible fixed assets	-	122,220	-	122,220
Investments	1	-	-	1
Current assets	12,784,711	480,000	2,171,765	15,436,476
Current liabilities	(12,230,423)	-	-	(12,230,423)
	(100,000)	-	-	(100,000)
Total Net Assets 31 March 2022	454,289	602,220	2,171,765	3,228,274

21. RECONCILIATION OF NET MOVEMENTS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Net movement in fund	(28,585)	(664,559)	(138,176)	(743,204)
Distribution under Gift Aid	-	-	109,591	78,646
Loss on sale of Assets	-	1,077	-	1,077
Dividend received	-	-	-	-
Add depreciation charge	74,285	54,786	66,440	46,932
Deduct interest income	(27,534)	(3,639)	(27,534)	(3,639)
Decrease/(increase) in stock	334	1,512	(53)	-
(increase)/decrease in debtors	107,118	297,720	177,474	108,093
(decrease)/increase in creditors	(8,928,495)	(1,769,195)	(8,995,390)	(1,676,630)
Cash generated by operating activities	(8,802,877)	(2,082,298)	(8,807,648)	(2,188,725)

22. PENSION COMMITMENTS

During the year, the charity contributed to three pension schemes for its employees and casual workers as appropriate, the Bristol Music Trust Pension Scheme, the Local Government Pension Scheme and the Teachers' Pension Scheme. The total cost for the year amounted to £180,406 (2022: £175,941).

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. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 5 March 2019 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge).
- Total scheme liabilities pensions currently in payment and the estimated cost of future benefits of £218,100 million, and notional assets (estimated future contributions together with the proceeds for the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million).
- The SCAPE rate, set by HMT, is used to determine the national investment return. The current SCAPE rate is assumed real rate of return is assumed real rate of return is 2.40% in excess of prices and 2.0% in excess of earnings. The rate of real earnings growth is assumed to be 2.20%. The assumed nominal rate of return is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension charge for the year includes contributions payable to the TPS of £73,162 (202: £51,450). 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.

23. OPERATING LEASES AND OTHER COMMITMENTS

At 31 March 2023, the charity was committed to make total future lease payments under operating leases for each of the following periods:

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
In respect of plant and machinery leases due:				
Within 1 year	-	9,833	-	9,833
In the second to fifth year	-	10,296	-	10,296
	2,023	20,129	2,023	20,129

The 2-5 year lease commitment in 2022 was for office IT equipment (mainly laptops and desktops) which was terminated in 2023 when the equipment was bought outright.

From 1 April 2026 BMT may make an annual payment to BCC in consideration for the capital improvements made to the building by BCC based on a 50/50 profit share arrangement once reserves are rebuilt to £850k.

24. RELATED PARTY TRANSACTIONS

Detail of the relationship with Bristol City Council is provided on page 14. Cllr Craig Cheney (Deputy Mayor BCC) is the nominated Trustee appointed by BCC. Louise Mitchell, CEO BMT, is a member of Arts Council England SW Area Council.

During the year the charity made purchases of:

£nil (2022: £13,589) from Nisbets PLC. Andrew Nisbet is a Director of this company. There was no outstanding balance due in relation to these purchases at the year-end.

£4,507 (2022: £0) from Bristol 24/7. Martino Burgess is a Director of this company and was appointed to the Bristol Music Trust Board in July 2022. There was no outstanding balance due in relation to these purchases at the year-end.

During the year the charity made sales of:

£3,287 (2022: £6,985) to Cabot Learning Federation. Anthony Cherry is a Director of this entity. There was no outstanding balance due in relation to these sales at the year-end.

During the year donations to the Bristol Beacon Phase 2 – Capital Transformation Project received from Trustees totalled £61,600 (2022: £440). During the year further donations of £200,000 (2022: £50,000) were received from Trusts and Foundations controlled by the Trustees.

Bristol Music Trust has a wholly owned subsidiary, BMT Enterprises Ltd (see note 3). Bristol Music Trust charged BMT Enterprises Ltd staff costs of £78,505 during the year (2022: £nil). In 2022 BMT Enterprises Ltd transferred its 2021 profits to the Trust as a gift aid payment to the value of £78,646 (2020: profits transferred of £8,582).