

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

ACCOUNTS

31 MARCH 2017

Charity Number 1026160

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

ACCOUNTS

YEAR ENDED 31 MARCH 2017

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**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 MARCH 2017

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the year ended 31 March 2017. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity. The Annual Report includes the directors' report as required under Company Law.

Reference and administrative details

Charity number:	1026160
Company number:	2661682
Principal Office:	Wiltshire Music Centre, Ashley Road, Bradford on Avon, Wiltshire, BA15 1DZ
Auditors:	Moore Stephens, Chartered Accountants, 30 Gay Street, Bath, BA1 2PA
Bankers:	HSBC Bank plc, 46 Fore Street, Trowbridge, Wiltshire, BA14 8EL
Investment Managers:	Investec Ltd, 24 Gay Street, Bath BA1 2PD

Directors and Trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year-end were as follows:

James Wetz	Chair (appointed 4 November 2016)
Diana Johnson	(Retired 4 November 2016)
Harriet Feilding	Vice Chair
Sue Carter	Treasurer and Company Secretary
Jonathan Cross	
Helen Starkie	
Geoff Robinson	
Maddie James	
Martin Walker	(Retired 4 November 2016)
Jon Berridge	
Anne Millman	(Retired and re-elected 4 November 2016)
David Richardson	(Retired and re-elected 4 November 2016)
Matthew Cleaver	(Retired and re-elected 4 November 2016)
Ian Thorn	(Appointed 4 November 2016)
Alan MacRae	(Appointed 4 November 2016)

Principal Officers

Clare Jack	Executive Director until 30 April 2017
Maud Saint-Sardos	Chief Executive appointed 3 July 2017
James Slater	Artistic Director

The Objects of the Charity are the advancement of education, for the public benefit, through the promotion and support of the art of music (including opera, music, drama, ballet and all art forms consisting in whole or in part of music) in particular in the County of Wiltshire.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Structure, Governance and Management

The Wiltshire Music Centre Trust Limited is a registered charity and a company limited by guarantee governed by its updated Memorandum and Articles of Association dated 24 March 2012 which were registered at Companies House on 10 April 2012.

Trustee appointments

The Trustees elect the chair of Trustees. St Laurence School, Bradford on Avon, nominates one Trustee who serves as an individual in their own capacity rather than as a representative. Arts Council England, South West and Wiltshire Council as core funders have the right to send observers to the Trustee Board meetings and currently nominate representatives to do this. A third of the Trustees retire by rotation each year and Trustees are elected annually by the members of the charitable company attending the AGM. At the AGM on 4 November 2016 it was noted that Diana Johnson and Martin Walker retired and James Wetz, Ian Thorn and Alan MacRae were appointed as Trustees. It was noted that James Wetz was elected as Chair and that Anne Millman, David Richardson and Matthew Cleaver retired and were re-elected.

Potential trustees are invited to observe a Board meeting prior to appointment and have an in depth meeting with the Chair or another trustee and the Executive Director in order to understand the business fully. Once appointed, all trustees are provided with full induction materials including the Business Plan, audited and management accounts, risk registers and Board papers. Appropriate training events and a biennial Away Day are held to keep trustees fully informed.

Organisation

The Board of Trustees meets quarterly and is responsible for the strategic management of the Trust. There are two standing sub-committees of the Board with formal terms of reference and each Trustee is encouraged to be a member of one of the sub-committees. The Finance, Resources and Premises sub-committee (Chaired by the Treasurer) focuses on financial performance, staffing, premises and equipment and oversees the reserves and investment policies. The Programme, Audience Development and Creative Learning sub-committee oversees the Trust's concert and participation programme. It covers all activities promoted by the Trust, both at the Centre and through its outreach work and develops the Artistic and Public Access Policies as well as the Creative Learning Strategy and Plan, and Equality Action Plan. In addition, there are ad hoc working groups to deal with issues of importance. At present there is a Communications and Development Working Group to oversee fundraising (including the 20th Anniversary Campaign) and marketing issues.

Average full time equivalent headcount now stands at 12.7 FTE employees including a paid intern on a 12 month contract.

The directors consider that the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. The pay of the senior staff is reviewed annually and any increase is based on an assessment of general inflation indices and is applied to all staff. The directors benchmark against pay levels in other charities of a similar nature and size.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Concert Programme

We continue to develop top quality programming with 167 concerts and events in the year as well as investing in more learning events including lectures, workshops and masterclasses around our concerts. We increased booker numbers by around 10% compared with last year and achieved increased ticket sales of over 25,200 (compared with 21,500 previous year). This year we developed our programme to reflect the core interests and preferences of our audience in the classical repertoire, and increased our jazz and folk programming to reflect growing audiences. We achieved 36 sell out concerts in the year and our ticket yield overall increased to £13.77.

We refreshed our artistic relationships with 16 artist or ensemble debuts as part of the core artistic programme, plus an additional 9 debut performances by younger artists, as well as new partnership projects with Spitalfields Music, English Touring Opera, Bournemouth Symphony Orchestra, Salisbury Festival, Bath Comedy Festival, Pound Arts, London Sinfonietta, Bath Festival and the Neeld Hall in Chippenham. This year we have successfully introduced comedy and spoken word events to diversify income streams and attract new audiences. These events have been successful and around 50% of the audience are new to the Centre.

We presented 5 new events in the foyer bar area (including 'In at the Sidedoor' events), 5 lunchtime concerts, 15 live streaming events and 4 morning lectures attracting an average of around 20 participants. Our Jazz Artist in Residence scheme with Gwilym Simcock (Jason Rebello 2015, Dennis Rollins 2016) fused the Artistic and Creative Learning Programmes by linking concerts, masterclasses, workshops and work in schools.

Our own concert promotions remains around 50% of the total and we continue to programme New Music and premier tours, featuring new work by Laura Rossi, Michael Gordon, Jonathan Dove, Tom Poster, Mark Bowden, John Rutter, Sir Harrison Birtwistle, Steve Reich, John Cage, Deborah Pritchard and Alasdair Nicholson (which was a world premiere and a premiere tour). A presented concert of New Music by London Sinfonietta attracted 106 people and we plan to continue with this strand. Participation numbers remain strong at around 69,000 and ticket sales for our concerts and hirers returned to previous historic levels at 70%, compared with 65% in the previous year as a result of rebalancing the classical music programming. This programming shift has been successfully adjusted without affecting programme quality or depth. Jazz audience and folk audiences have increased over the period. Ticket sales to target areas of Bath, Chippenham and Warminster have increased by 19% this year, and our audience from Bristol and Somerset has also grown. Our youth audience has remained steady at around 12% of total audiences.

The Centre has good disabled access and the Trust has been successful in developing a regular and loyal following of disabled audiences. The Trust is also committed to concessionary pricing to attract young people and families to the Centre. We are delighted that, with the support of the Cavatina Trust, we are able to offer free tickets to young people under 25 for classical chamber concerts. We also offer half price tickets for under 18s and £1 tickets for young people attending with an adult who buys a full price ticket. Overall the Centre invests over £24,000 a year in supporting concessionary tickets.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Creative Learning Programme

Over the past year our Creative Learning Programme has been developed further, not least with the significant investment in a new post, Head of Creative Learning. Karl Bevis, who was appointed in this post in November 2016 has a strong background in participatory youth arts and many years experience in this field. This role gives greater capacity for the organisation, and is planned to deliver a major increase in this work from 11 projects a year to over 20 reflecting our commitment to this work and the growing integration of the work with our professional artistic programme.

A series of artists have been involved in both areas of work including Joanna MacGregor, Dennis Rollins, Ensemble 360, Adriano Adewale, Gwilym Simcock and the Berkeley Ensemble. We have also increased the range of opportunities for young people to get involved through more performance opportunities, a Young Producers Programme, workshops and master-classes, and Artist Residencies. We presented a public masterclass series with international pianist Joanna MacGregor and invited young musicians from Bath Spa University and local secondary schools.

Under the continued management of WMC, West of England Youth Orchestra (WEYO) performed three large orchestral programmes: highlights included an orchestral accompaniment to the film the Battle of the Somme for the Easter course, Mahler 1 and the Prokofief Violin Concerto for the summer and A Night at the Movies for the New Year concert in January 2017. During 2016/17 a new piece was co-commissioned from Jeff Moore (in partnership with SuperStrings) in time for the WEYO summer course of 2017, as well as developing plans for a tour in summer 2018. In September 2016 our Artist in Residence, Dennis Rollins, delivered Across the Tracks with Byron Wallen. The Wiltshire Youth Jazz Orchestra (WYJO) worked alongside Gwilym Simcock in spring 2017 for a concert in March.

Both of these youth orchestras are grant funded by Wiltshire Music Connect, the Music Hub for Wiltshire. WMC has been able to expand the membership of WEYO, now formally taking students from Bath and Somerset as well as Swindon and receives grant support from the B&NES Music Hub and Swindon Music Hub. As a charity, we are able to fundraise for both groups and have attracted both a corporate sponsor (HPH Ltd) and a growing group of individual Patrons (around 35). We have also been able to reduce administrative costs by managing this within our Creative Learning team.

For participation and creative learning work, we have achieved just over 43,500 sessions this year (up from 42,000 in the previous year) and this included several new projects as part of the portfolio of more than 30. We delivered work in 34 schools, including Special Schools. Overall, our participation work has involved over 4,700 young people this year, up from 3,500 last year.

We expanded our SEN work in Special Schools with music leaders delivering workshops as well as having a performance event at the Centre. We are also a named venue partner for South West Open Youth Orchestra (SWOYO) and hosted a concert with them this year, and present 2 concerts per year in partnership with Reach Inclusive Arts. We have maintained our strategic development role for Zone Club (our monthly club for learning disabled adults) to provide continuity between club days, to work on development opportunities for members, and to oversee the development of a training strand for young music leaders. Our world music programme has developed in the year with successful projects with Womad Foundation and Salisbury Arts Centre, and we have established new partnerships with London International Arts Festival and Indigenous People. We maintained the density of programming and achieved our target of 58% capacity.

A new focus on young people's programming saw 6 local young artists performing in the bar and our Young Producers planned and delivered a concert for young people with local artists in the autumn. We also offered a performance platform for 30+ local musicians to perform at pre-concert events in the bar.

The Music Centre continues to be a weekly rehearsal venue for hundreds of young people from the feeder ensembles to the county Youth Orchestra which also rehearses and performs here. The Centre is increasingly attracting school performances and welcomed around 13 schools in the year with 34 performances at the Centre. There were also around 4,600 hours of individual music lessons in the year.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Public Benefit

The Trust's policy on public access is to make the Centre's facilities and activities available and relevant to the widest possible range of people and to nurture the appreciation and practice of music in all its forms, at all levels of ability. The Trust places a strong emphasis on its education work which is integral to its programme and activities, with young people at the heart of the work it does. The Centre is open to the public over 80 hours each term-time week for community and education activities and regular rehearsals by young musicians. It is open for 60 hours each week during school holidays when youth orchestra courses, holiday workshops and other activities are scheduled.

Trustees take note of the Charity Commission's guidelines on public benefit and fees and charges. Earned income is an important factor in the sustainability of the Centre's work, but ticket prices reflect discounts to enable young people in particular to access a wide variety of performances and activities. Free tickets are offered to the carers of disabled people. The Trust is also committed to concessionary pricing to attract young people and families to the Centre. We are delighted that, with the support of the Cavatina Trust, we are able to offer free tickets to young people under 25 for classical chamber concerts. We also offer half price tickets for under 18s and £1 tickets for young people attending with an adult who buys a full price ticket. Overall the Centre invests over £24,000 a year in supporting concessionary tickets.

Lower room and auditorium hire rates are charged to local community and not-for-profit groups, and schools using the Centre for their own promotions and free tickets are also offered regularly to local schools.

Future Plans

Plans for 2017/18 include the continuation of the concert programme at the current level of around 120 concerts plus live streaming and other events each year. The mix will remain broadly similar in terms of genre with the continuation of lunchtime and foyer concerts and expansion of learning events pre-concert. We will continue the summer live streamings from Glyndebourne and will continue to seek out other alternative content such as museum exhibitions. We will continue with comedy and spoken word events programmed for us by partners and we are seeking new collaborations with related art forms such as circus.

The Creative Learning programme will expand in the year, as indicated above, with a new project with the OAE, a project with our Young Artists in residence and an industry event for young people. We will be investing in a new box office system and website during the year.

The Trustees said farewell and thank you to the outgoing Chief Executive, Clare Jack, who, after 6 years at the Centre had taken up a new role as Development Director at 'Bath Festival' in April 2017. We have been hugely indebted to Clare who provided excellent leadership and management of the Centre, winning many awards and plaudits and crucially sustaining its NPO status. She leaves the Centre in good heart and has built a team of professionals around her who have added such value to the organisation.

We were delighted at the response for the recruitment of a new Chief Executive and the strength of applications for this post. Maud Saint-Sardos was appointed and took up her post on July 3rd 2017. She brings exceptional financial skills, a passion for music and leadership qualities that will bring great value to the organisation.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Financial Review

The trustees are pleased to record an unrestricted operating surplus, before investment gains, of £711. Although the comparable surplus in 2016 was £47,104, this result included the receipt of a legacy of £97,197.

Fundraising has been particularly strong this year following the re-organisation of our team to combine fundraising and marketing and fundraising income has exceeded targets by 25%. We have maintained successful community fundraising campaigns such as the Bath Half Marathon and 'Buy a Music Stand' and 'Buy a Bar' campaigns for the Youth Orchestra.

Ticket sales improved on last year with concert income over £22,000 higher than in 2016. Ticket numbers both sold and allocated for live events increased well over the year and the average capacity returned close to historic levels of 70% with ticket yield increasing to £13.77.

Corporate sponsorship income remains a difficult market, although our main sponsor increased their activity with us this year. Lettings income is stable and additional marketing investment will be continued to maintain this income level. Bar income increased with the main contribution to this being the alternative programmes of comedy and spoken word.

Costs were, as always, carefully controlled. Capital expenditure of just under £45,000 included £13,500 on an LED lighting replacement programme and £14,700 for development of our new web site which will be launched in 2017/18.

Risk Management

The Trustees have implemented a two stage approach to the risk management strategy. This comprises an annual review of the principal business risks and uncertainties that Wiltshire Music Centre faces, together with the risk mitigation plans, including business systems and processes, which the senior management have put in place to minimise the likelihood of these risks occurring.

This annual business risk assessment also involves identifying those risks which have materialised into issues and the procedures and actions that are being implemented to deal with those issues.

The Trustees consider that a major risk is one which, if materialised, would have a significant adverse impact on WMC's ability to function and achieve its charitable purposes of the advancement of education, for the public benefit, through the promotion and support of the art of music.

In addition to this, the Centre has an operational risk assessment procedure for activity that the Centre undertakes. All Staff and Volunteers when engaging in any WMC activity are asked to consider the risks that are posed and to act in accordance with any recommendations made for risk management.

There are specific operational risk assessments for different types of events such as school concerts, festivals and outdoor activity; as well as operational activity such as working at height. These operational risk assessments are undertaken by the staff members concerned, and overseen by the Facilities Co-ordinator. They are reviewed and approved by the Chief Executive. Operational and building related risks are also reviewed by external Health and Safety consultants who visit the Centre twice a year.

The Trustees have reviewed the business risks faced by the charity, the major risk being the continuity of core grant funding particularly from ACE. This has been mitigated by setting aside reserves to enable the charity to continue to operate for a minimum of two years whilst new income streams are obtained.

The other key financial risk is the reduction in concert income arising from diminishing audience numbers which could result from a number of factors such as economic conditions, inappropriate programming or competition from other venues. Management and the Board, through the Programme and Audience Development Committee, focus on appropriate programming and ticket prices and audience development is a key aspect of the charity's strong marketing and communications team.

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Investment powers and policy

Under the Articles of Association, the charity has power to invest funds after obtaining advice from a financial expert. The Trust's Investment Managers are charity specialists and its Investment Policy, developed with their advice, takes account of the Trust's Reserves, Ethical and Environmental Policies. The Trust's policies and investment arrangements are reviewed each year by the Finance and Resources sub-committee.

The Trust prudently invests across a broad range of collective investment schemes, benchmarking the performance of the fund. The objectives are to ensure, through longer-term investment of most of the reserve, sufficient income to provide a minimum level of unrestricted core income to contribute to the Trust's annual revenue needs plus a measure of capital growth to protect the value of the investment. The Trust is confident that its investment strategies are prudent, effective and fit for purpose.

Reserves Policy

The Trust's reserves policy is based on a detailed analysis of the required minimum level of reserves based on a risk assessment of the main risks relating to loss of income together with allocating reserves for specific investment project expenditure, as detailed in Note 20 and below:

Risk management fund £150,000

A detailed analysis of the required minimum level of reserves is undertaken and this is based on a risk assessment of the main risks relating to loss of income. The reserves policy requires that the designated reserves include a risk management fund maintained at a level which will enable the trustees to adjust the business model to compensate for potential adverse operating conditions over a 2 year period in order to maintain the Trust as an operating arts organisation. This is currently estimated at at £150,000 and it is re assessed annually.

In addition to the above, the trustees have allocated reserves to meet the cost of specific projects as follows:

Building maintenance plan reserve £150,000

The Trust commissioned a report in 2015 from BJP, M and E Consultants, which has informed a 10 year maintenance plan for the freehold building. This report recommended a total spend over of 10 year period of £150,000 and this will be continued on a rolling basis. The trustees are committed to ensuring that the Trust's freehold property is maintained to the highest standard ensuring its longevity and providing the best possible environment for all visitors to the Centre.

Creative learning £105,000

The trustees have set aside this fund towards the cost of the initial three years investment in the Creative Learning Programme This investment commenced in the year with the appointment in November 2016 of Karl Bevis to a new post of Head of Creative Learning. His appointment allows the Trust to develop the Creative Learning Programme and this is planned to deliver a major increase in this work from 11 projects a year to over 20 reflecting the commitment to this work and the growing integration of the work with the professional artistic programme.

Web site development £7,000

The trustees are committed to a complete upgrading of the trust's web site and this commenced during the year with planned completion by the end of 2017. The total cost is estimated to be £22,000, of which £15,000 will be met from restricted reserves and the balance of £7,000 to be met from unrestricted reserves.

New Box office system £11,600

Plans to upgrade the box office system are well advanced and the licence costs of the package will be spread over a three year period. The estimated costs in year one are £11,600 and it is proposed that this is funded from existing reserves.

Fixed Assets £143,542

The trustees consider it prudent to set aside those reserves that have funded fixed assets expenditure and so are not available for future use. The balance on this fund represents those assets funded from unrestricted reserves. The majority of the Trust's assets are funded from restricted reserves, see note 19 to the accounts.

THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
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TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Funding and stakeholders

Arts Council funding has been confirmed for the three years to 2017/18. WMC has applied for the continuation of this funding until 2022 and the trustees are pleased that its NPO bid to the Arts Council England has been approved conditional on the necessary business and financial planning documentation. This is an exceptional achievement for the Wiltshire Music Centre which will bring over £400k of funding to the Centre between 2018 -2022.. Confirmation has also been received of Wiltshire Council funding for the year to March 2018 at a slightly reduced rate. We are grateful for the on-going funding from these key stakeholders.

The Trust's close working partnership with Wiltshire Council and Wiltshire's continued investment in the Centre underpins the funding raised each year to support education projects across the county. Key county partners include Wiltshire Connect Music Education Hub, Wiltshire Youth Arts Partnership, Swindon Dance and other funded arts organisations in the county – the Pound Arts Centre, Corsham, Salisbury Festival, Salisbury Arts Centre, Salisbury Playhouse etc. Wiltshire's continuing support is critical to continuing fundraising success. Significant leverage is achieved, and has increased from last year, with over £27's worth of activity for every £1 of local authority investment.

The Trust was successful in winning support during the year from a number of Town and Parish Councils and Area Boards including Bradford on Avon, Calne, Chippenham, Keevil and Westbury. This support is both politically and financially important, demonstrating an active interest in the Trust's outreach work as well as in the Centre itself.

Core funding was received from the Garfield Weston Foundation, Andrew Lloyd Webber Foundation, PRS Foundation, RVW Trust, Joyce Fletcher Charitable Trust; Ray Harris Charitable Trust; PRS Foundation; Annett Trust; S D Whitehead Charitable Trust and the Roper Family Charitable Trust; many of whom have supported the Centre for a number of years. We are very grateful for the continuing support of these Trusts.

The Concert Programme including our Family Concerts and Young Artists Concerts has been supported by Principal Sponsors Brewin Dolphin, Principal Friends and Friends of Wiltshire Music Centre, Fidelio Trust, Fenton Arts Trust, Radcliffe Trust Orchestras Live, Music in the Round, HPH Ltd, Steers McGillan Eves, Feilden Clegg Bradley Studios, Cumberwell Park, Future Solutions Chartered Accountants, Wessex Water, Moore Stephens, Mowbray Woodwards Solicitors, Platinum Motor Group, Meeting Place Communications, The Piano Shop Bath, Investec, Great Western Wine, Swan Hotel, the Bradford on Avon Arts Association, and the D'Oyly Carte Charitable Trust. This support is highly valued and has helped the Trust to present a diverse concert programme that has encouraged both new audiences, and new musicians.

The Creative Learning Programme was also once again made possible by the generous support of over 30 funders including the Coles-Medlock Foundation, John Lewis Partnership, the Blgrave Trust, Col W Llewelyn Palmer Trust, Wiltshire Community Foundation, Derek Hills Foundation, Newby Trust, Thistle Trust, Jack Lane Charitable Trust, MFPA Trust Fund, Odin Charitable Trust, Chippenham Borough Lands, Wiltshire Council Area Boards and the RTR Foundation. The funding allowed the Trust to run educational and participatory projects in a wide range of settings, with people of all abilities, and some of the projects culminated in a public performance at the Centre.

Warm thanks go to all the individuals who have supported the Centre, many of whom do so requesting anonymity and the minimum of recognition, and the Trust is most grateful to these donors for their generosity and kindness.

Friends of Wiltshire Music Centre

The valuable support given by the Friends and Benefactors of the Wiltshire Music Centre, many of whom are also volunteers, is very gratefully received. During the year, the Principal Friends and our Friends supported four events including the Doric String Quartet, pianist Lara Melda and Berkeley Ensemble.

Volunteers

Over 80 active volunteers help with various activities at the Wiltshire Music Centre. Volunteers act as Stewards for all events and ensure that the Centre is able to plan more activity and open for a longer period of time throughout the week. The Trustees wish to express their particular thanks to the volunteer team, which the Centre relies on for so much support. They are an invaluable team of supportive individuals who gave over 11,000 hours of their time freely and this represents an annual contribution value of over £90,000.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2017

Trustees' responsibilities in relation to the financial statements

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make sound judgments and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.
- The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under section 419(2) of the Companies Act 2006.

By order of the Trustees

Approved and signed by the Trustees at their meeting on 21 July 2017 and signed on their behalf

James Wetz
Chairman

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
WILTSHIRE MUSIC CENTRE TRUST LIMITED**

YEAR ENDED 31 MARCH 2017

We have audited the financial statements of The Wiltshire Music Centre Trust Limited for the year ended Year End which are set out on pages 12 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its 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.

Opinion 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' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
WILTSHIRE MUSIC CENTRE TRUST LIMITED *(continued)***

YEAR ENDED 31 MARCH 2017

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Mark Burnett, *Senior Statutory Auditor*
For and on behalf of Moore Stephens, Statutory Auditor

30 Gay Street
Bath
Somerset
BA1 2PA

24 July 2017

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
INCOME AND ENDOWMENTS					
Donations and legacies	2	236,986	25,729	262,715	334,607
Income from charitable activities	3	284,016	191,842	475,858	368,407
Other trading activities	4	152,292	–	152,292	148,945
Investment income	5	25,143	–	25,143	19,796
TOTAL INCOME		<u>698,437</u>	<u>217,571</u>	<u>916,008</u>	<u>871,755</u>
EXPENDITURE					
Expenditure on raising funds:					
Costs of other trading activities	6	(43,692)	–	(43,692)	(38,348)
Investment management costs	7	(6,532)	–	(6,532)	(5,259)
Expenditure on charitable activities	8/9	(647,502)	(257,552)	(905,054)	(828,140)
TOTAL EXPENDITURE		<u>(697,726)</u>	<u>(257,552)</u>	<u>(955,278)</u>	<u>(871,747)</u>
Net gains/(losses) on investments		<u>100,414</u>	–	<u>100,414</u>	(54,950)
NET INCOME/(EXPENDITURE)		<u>101,125</u>	<u>(39,981)</u>	<u>61,144</u>	(54,942)
RECONCILIATION OF FUNDS					
Total funds brought forward restated		<u>677,767</u>	<u>2,010,987</u>	<u>2,688,754</u>	<u>2,743,696</u>
TOTAL FUNDS CARRIED FORWARD		<u>778,892</u>	<u>1,971,006</u>	<u>2,749,898</u>	<u>2,688,754</u>

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

All of the above amounts relate to continuing activities.

The notes on pages 15 to 24 form part of these accounts.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2017

	Note	2017 £	£	2016 £
FIXED ASSETS				
Tangible assets	13		1,966,016	2,028,581
Investments	14		<u>722,372</u>	<u>628,490</u>
			2,688,388	2,657,071
CURRENT ASSETS				
Stocks	15	2,985		2,969
Debtors	16	47,321		91,990
Cash at bank and in hand		180,049		48,530
			<u>230,355</u>	<u>143,489</u>
CREDITORS: Amounts falling due within one year	17		<u>(168,845)</u>	<u>(111,806)</u>
NET CURRENT ASSETS			61,510	31,683
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,749,898</u>	<u>2,688,754</u>
NET ASSETS			<u>2,749,898</u>	<u>2,688,754</u>
FUNDS OF THE CHARITY				
Restricted income funds	19		1,971,006	2,010,987
Unrestricted income funds	20		778,892	677,767
TOTAL CHARITY FUNDS			<u>2,749,898</u>	<u>2,688,754</u>

These accounts were approved by the trustees and authorised for issue on the 21 July 2017 and are signed on their behalf by:

James Wetz
Chairman

Sue Carter
Treasurer

Company Registration Number: 2661682

The notes on pages 15 to 24 form part of these accounts.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2017

	2017	2016
	£	£
Cash flows from operating activities		
Net income/(expenditure)	61,144	(54,942)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	107,357	100,950
Net (gains)/losses on investments	(100,414)	54,950
Dividends, interest and rents from investments	(25,143)	(19,796)
<i>Changes in:</i>		
Stocks	(16)	313
Trade and other debtors	44,669	347,883
Trade and other creditors	57,039	(22,011)
Cash generated from operations	144,636	407,347
Net cash from operating activities	144,636	407,347
Cash flows from investing activities		
Dividends, interest and rents from investments	25,143	19,796
Purchase of tangible assets	(44,792)	(50,541)
Purchases of other investments	(168,463)	(396,196)
Proceeds from sale of other investments	174,995	-
Net cash from/(used in) investing activities	(13,117)	(426,941)
Net increase/(decrease) in cash and cash equivalents	131,519	(19,594)
Cash and cash equivalents at beginning of year	48,530	68,124
Cash and cash equivalents at end of year	180,049	48,530

The notes on pages 15 to 24 form part of these accounts

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

Basis of accounting

General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Ashley Road, Bradford on Avon, Wiltshire, BA15 1DZ.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity and the figures are rounded to the nearest £1.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 24.

Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, any performance conditions attached to the item(s) of income have been met, its receipt is probable and the amount can be measured reliably. The following policies are applied to particular categories of income:

Income from concerts is included in the period in which the relevant performance takes place and is stated after discounts and net of VAT where applicable. Income received in advance of a concert or provision of other specified service it is deferred until the criteria for income recognition are met.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: The charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated facilities and services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item.

No amount is included in the financial statements for volunteer time in line with the sorp (FRS 102). Further detail is given in the trustees' annual report.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or through the terms of an appeal.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes any VAT which cannot be fully recovered. The following policies are applied to particular categories of expenditure:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Such indirect costs are allocated to activities in proportion to the time spent by staff on each activity.

Governance costs are included in charitable expenditure and include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debtors, creditors and cash at bank and in hand are measured at amortised cost and investments are measured at their fair value.

Fixed assets

All fixed assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property - 50 years
Office Equipment - 5 years
Fixtures, Fittings and instruments - 4 or 10 years
Plant and machinery - 5 or 10 years

Debtors

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations	49,717	1,709	51,426
Legacies	2,500	–	2,500
Charitable trusts	50,839	18,010	68,849
Grants	133,930	6,010	139,940
	<u>236,986</u>	<u>25,729</u>	<u>262,715</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations	46,104	8,782	54,886
Legacies	97,197	–	97,197
Charitable trusts	11,636	14,000	25,636
Grants	137,115	19,773	156,888
	<u>292,052</u>	<u>42,555</u>	<u>334,607</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Concert income	229,181	14,000	243,181
Sponsorship	14,218	–	14,218
Education project income	40,617	177,842	218,459
	<u>284,016</u>	<u>191,842</u>	<u>475,858</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Concert income	207,007	23,445	230,452
Sponsorship	15,604	–	15,604
Education project income	5,420	116,931	122,351
	<u>228,031</u>	<u>140,376</u>	<u>368,407</u>

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds 2017 £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Rental income	72,444	72,444	77,042	77,042
Lettings income	23,661	23,661	23,942	23,942
Bar income	39,817	39,817	33,960	33,960
Box office income	16,370	16,370	14,001	14,001
	<u>152,292</u>	<u>152,292</u>	<u>148,945</u>	<u>148,945</u>

5. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Income from UK listed investments	25,143	25,143	19,796	19,796

6. COSTS OF OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Marketing and PR costs	9,368	9,368	12,733	12,733
Bar, box office and lettings expenses	34,324	34,324	25,615	25,615
	<u>43,692</u>	<u>43,692</u>	<u>38,348</u>	<u>38,348</u>

7. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Investment management fees	6,532	6,532	5,259	5,259

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

8. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Concert activities	373,016	106,597	479,613
Educational activities	97,437	139,745	237,182
Management and administration	77,855	–	77,855
Support costs	99,194	11,210	110,404
	<u>647,502</u>	<u>257,552</u>	<u>905,054</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Concert activities	328,679	118,461	447,140
Educational activities	80,518	112,224	192,742
Management and administration	94,319	1,500	95,819
Support costs	92,439	–	92,439
	<u>595,955</u>	<u>232,185</u>	<u>828,140</u>

9. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Staff costs £	Other direct costs £	Support costs £	Total Funds 2017 £	Total Funds 2016 £
Concert activities	173,484	306,129	52,133	531,746	492,091
Educational activities	107,437	129,745	32,414	269,596	213,259
Management and administration	77,855	–	20,837	98,692	118,490
Governance costs	–	–	5,020	5,020	4,300
	<u>358,776</u>	<u>435,874</u>	<u>110,404</u>	<u>905,054</u>	<u>828,140</u>

10. ANALYSIS OF SUPPORT COSTS

	Concert activities £	Educational activities £	Management and administration £	Total 2017 £	Total 2016 £
Music Centre premises costs	30,185	18,694	13,550	62,429	66,500
Depreciation	10,183	6,306	4,571	21,060	18,055
Other administration costs	11,765	7,414	2,716	21,895	3,584
Governance costs	–	–	5,020	5,020	4,300
	<u>52,133</u>	<u>32,414</u>	<u>25,857</u>	<u>110,404</u>	<u>92,439</u>

11. NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

This is stated after charging:

	2017 £	2016 £
Staff pension contributions	11,141	11,708
Depreciation	107,357	100,950
Auditors' remuneration:		
- audit of the financial statements	4,400	4,300
- other fees	620	–
	<u>123,518</u>	<u>116,958</u>

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

12. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2017 £	2016 £
Wages and salaries	321,271	301,220
Social security costs	26,364	24,320
Other pension costs	11,141	11,708
	<u>358,776</u>	<u>337,248</u>

Particulars of employees:

The average number of employees during the year, was as follows:

	2017 No.	2016 No.
Concerts	4	4
Marketing	2	2
Education	4	3
Administration and support	3	2
	<u>13</u>	<u>11</u>

No employee received remuneration of more than £60,000 during the year (2016 - Nil).

During the year the trustees received no remuneration (2016 - nil) and 3 trustees were reimbursed expenses amounting to £1,024 (2016 - 2 trustees £217).

The trustees consider Key Management Personnel to be the Chief Executive Officer, the Artistic Director, the Head of Creative Learning and the Communications and Development Manager. Their total benefits during the year amounted to £152,129 (2016 - £127,330). The Head of Creative Learning commenced employment with the charity in November 2016.

13. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and machinery £	Office equipment £	Fixtures, Fittings and instruments £	Total £
COST					
At 1 April 2016	2,422,307	238,657	93,129	351,766	3,105,859
Additions	1,233	5,263	16,383	21,913	44,792
At 31 March 2017	<u>2,423,540</u>	<u>243,920</u>	<u>109,512</u>	<u>373,679</u>	<u>3,150,651</u>
DEPRECIATION					
At 1 April 2016	717,133	128,078	82,751	149,316	1,077,278
Charge for the year	45,718	29,610	3,706	28,323	107,357
At 31 March 2017	<u>762,851</u>	<u>157,688</u>	<u>86,457</u>	<u>177,639</u>	<u>1,184,635</u>
NET BOOK VALUE					
At 31 March 2017	<u>1,660,689</u>	<u>86,232</u>	<u>23,055</u>	<u>196,040</u>	<u>1,966,016</u>
At 31 March 2016	<u>1,705,174</u>	<u>110,579</u>	<u>10,378</u>	<u>202,450</u>	<u>2,028,581</u>

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

14. INVESTMENTS

Movement in market value

	2017	2016
	£	£
Market value at 1 April 2016	628,490	287,245
Acquisitions at cost	168,463	401,454
Disposals at opening book value	(188,731)	-
Net gains on revaluations in the year ended 31 March 2017	100,414	(54,950)
Amounts written off in the year ended 31 March 2017	13,736	(5,259)
Market value at 31 March 2017	<u>722,372</u>	<u>628,490</u>
Historical cost at 31 March 2017	<u>622,413</u>	<u>613,095</u>

Analysis of investments at 31 March 2017 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Listed investments				
UK Quoted Shares	657,975	32,917	690,892	610,746
Other investments				
UK Cash held as part of Portfolio	31,480	-	31,480	17,744
	<u>689,455</u>	<u>32,917</u>	<u>722,372</u>	<u>628,490</u>

15. STOCKS

	2017	2016
	£	£
Stock	<u>2,985</u>	<u>2,969</u>

16. DEBTORS

	2017	2016
	£	£
Trade debtors	14,483	21,567
Other debtors and accrued income	21,555	56,893
Prepayments	11,283	13,530
	<u>47,321</u>	<u>91,990</u>

17. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	49,002	21,969
PAYE and social security	7,804	8,136
Other creditors	112,039	81,701
	<u>168,845</u>	<u>111,806</u>

18. DEFERRED INCOME

	2017	2016
	£	£
At 1 April 2016	34,392	38,190
Amount released to income earned from charitable activities	(34,392)	(38,190)
Amount deferred in year	62,972	34,392
At 31 March 2017	<u>62,972</u>	<u>34,392</u>

Income received during the year for concerts being performed after the year end is deferred.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

19. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2016	Income	Expenditure	Transfers	Balance at 31 Mar 2017
	£	£	£	£	£
Freehold property and capital improvements	1,486,909	–	(86,267)	406,498	1,807,140
Capital Improvements	406,498	–	–	(406,498)	–
Education Projects fund	68,935	160,925	(129,745)	–	100,115
WEYO fund	16,000	16,917	–	–	32,917
Catalyst (ACE)	24,723	–	(1,450)	–	23,273
Handrails fund	595	–	(30)	–	565
The Coles Medlock Foundation	–	10,000	(10,000)	–	–
Orchestras Live	–	14,000	(14,000)	–	–
D'Oyle Carte	–	3,000	(3,000)	–	–
The Thistle Trust	–	1,500	(1,500)	–	–
Bradford on Avon Town Council	–	1,500	(1,500)	–	–
Young Artist fund	2,995	9,169	(7,500)	–	4,664
Lacock Abbey Recitals	4,032	–	(2,000)	–	2,032
Other restricted funds	300	560	(560)	–	300
	<u>2,010,987</u>	<u>217,571</u>	<u>(257,552)</u>	–	<u>1,971,006</u>

The freehold property and capital improvements fund represents funding received specifically for the initial development of the Music Centre, including a Lottery award of £1,768,024, and subsequent capital expenditure. The annual depreciation charge for these assets is charged to the fund.

The Education projects fund is funding received for Creative Learning projects.

The WEYO fund is funds received to support Wiltshire Music Centre in the initial four years following the taking over in Autumn 2015 of the leadership of the West of England Youth Orchestra and the Wiltshire Youth Jazz Orchestra.

The Catalyst (ACE) fund is Arts Council funding from their Catalyst Arts: capacity building and match funding scheme to support organisations in building their fundraising capacity and capability.

The Handrails fund is monies received specifically from a fundraising campaign towards the cost of installing handrails in the auditorium. These have been installed and the annual depreciation charge is charged to this fund.

The Coles Medlock Foundation fund is a donation received towards the cost of the Creative Learning programme.

The Orchestras Live fund is funding received towards the cost of orchestral concerts.

The D'Oyly Carte Charitable Trust fund is monies received towards the cost of providing affordable and accessible family performances through subsidised ticket prices.

The Thistle Trust fund is funding towards the cost of the Brass workshop held on 8 October 2016.

The Bradford on Avon Town Council fund is sponsorship specifically towards the English Touring Opera concert held on 23 October.

The Young Artists fund is funding to support the cost of young artists at the start of their professional career.

The Lacock Abbey Recitals fund is funding received on the closure of Lacock Abbey Recitals Limited towards the cost of supporting young artists.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

20. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2016	Income	Expenditure	Transfers	Balance at 31 Mar 2017
	£	£	£	£	£
Risk Management fund	150,000	–	–	–	150,000
Building Maintenance Plan	150,000	–	(16,368)	16,368	150,000
Website Development New Box Office System	7,000	–	–	–	7,000
Fixed Assets	8,000	–	–	3,600	11,600
Creative Learning	133,864	–	(21,060)	30,738	143,542
General Funds	105,000	–	–	–	105,000
	123,903	798,851	(660,298)	(50,706)	211,750
	<u>677,767</u>	<u>798,851</u>	<u>(697,726)</u>	<u>–</u>	<u>778,892</u>

Risk management fund

A detailed analysis of the required minimum level of reserves is undertaken and this is based on a risk assessment of the main risks relating to loss of income. The reserves policy requires that the designated reserves include a risk management fund maintained at a level which will enable the trustees to adjust the business model to compensate for potential adverse operating conditions over a 2 year period in order to maintain the Trust as an operating arts organisation. This is currently estimated at at £150,000 and it is re assessed annually.

In addition to the above, the trustees have allocated reserves to meet the cost of specific projects as follows:

Building maintenance plan reserve

The Trust commissioned a report in 2015 from BJP, M and E Consultants, which has informed a 10 year maintenance plan for the freehold building. This report recommended a total spend over of 10 year period of £150,000 and this will be continued on a rolling basis. The trustees are committed to ensuring that the Trust's freehold property is maintained to the highest standard ensuring its longevity and providing the best possible environment for all visitors to the Centre.

Creative learning

The trustees have set aside this fund towards the cost of the initial three years investment in the Creative Learning Programme This investment commenced in the year with the appointment in November 2016 of Karl Bevis to a new post of Head of Creative Learning. His appointment allows the Trust to develop the Creative Learning Programme and this is planned to deliver a major increase in this work from 11 projects a year to over 20 reflecting the commitment to this work and the growing integration of the work with the professional artistic programme. The fund was not utilised in the current year but is expected to be drawn down the next 3 years.

Web site development

The trustees are committed to a complete upgrading of the trust's web site and this commenced during the year with planned completion by the end of 2017. The total cost is estimated to be £22,000, of which £15,000 will be met from restricted reserves and the balance of £7,000 to be met from unrestricted reserves.

New Box office system

Plans to upgrade the box office system are well advanced and the licence costs of the package will be spread over a three year period. The estimated costs in year one are £11,600 and it is proposed that this is funded from existing reserves.

Fixed Assets

The trustees consider it prudent to set aside those reserves that have funded fixed assets expenditure and so are not available for future use. The balance on this fund represents those assets funded from unrestricted reserves. The majority of the Trust's assets are funded from restricted reserves, see note 18 to the accounts.

**THE WILTSHIRE MUSIC CENTRE TRUST LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2017

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Investments £	Net current assets/ (liabilities) £	Total £
Restricted Income Funds:				
Freehold property and capital improvements	1,822,474	32,917	115,615	1,971,006
Unrestricted Income Funds	143,542	689,455	(54,105)	778,892
Total Funds	<u>1,966,016</u>	<u>722,372</u>	<u>61,510</u>	<u>2,749,898</u>

22. RELATED PARTY TRANSACTIONS

During the year a company under the control of a trustee, Mr Ian Thorn, provided sponsorship amounting to £1,000. Mr Thorn was not a trustee in the previous year.

A close family member of a trustee, Mr Jonathan Cross, was paid during the year for providing temporary assistance at the Box Office desk on terms no different from any other temporary staff. There were no such payments in the previous year.

23. COMPANY LIMITED BY GUARANTEE

Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he or she is a member for payment of the charity's debts and liabilities contracted before he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves.

24. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 April 2015.

One transitional adjustment was required in the retained funds and income or expenditure for the year, being the provision of a holiday pay accrual. The impact on fund balances is as follows:

	31 March 2016 £	1 April 2015 £
Fund balances as previously stated	2,692,360	2,749,460
Holiday pay accrual	(3,606)	(5,764)
Fund balances as restated	<u>2,688,754</u>	<u>2,743,696</u>