

Charity Registration Number: 1053937  
Company Registration Number: 03169600

**B:MUSIC LTD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Registered Office:**  
B:Music Ltd  
Symphony Hall  
8 Centenary Square  
Birmingham  
B1 2EA

**Tel. No. 0121 289 6300**

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

**Officers and Management**

The Trustees of the charity who were in office during the year and up to the date of the signing of the financial statements were:

	Appointed	Resigned/Retired
Ms Anita Kumari Bhalla OBE DL (Chair 27 February 2014)	19 August 1996	
Ms Mary Julia Martin MA FCA	27 May 2009	
Mr Vidar Paul Hjordeng MBE BA PG Dip	18 June 2009	
Mr Ian Philip Myatt	18 June 2009	
Mr James Tait	13 January 2014	
Mr Joel Graham Blake OBE	19 June 2014	
Mr Paul John Faulkner	19 June 2014	2 September 2021
Mr Davinderpal Bansal	19 February 2015	
Councillor Ewan Forbes Mackey	24 July 2015	
Councillor Alexander George Aitken	6 July 2018	
Ms Helen Elizabeth Bates	1 April 2017	17 June 2022
Ms Claire Jane Evans	1 April 2017	
Mr Anthony Roger Howard	1 August 2019	
Mr Oluwamayokun Alonge	1 August 2019	
Mrs Sheryl Andrea Miller	10 May 2021	
Mr Paul Hooper-Keeley	10 May 2021	

The Directors of the trading company who were in office during the year and up to the date of the signing of the financial statements were:

	Appointed	Resigned/Retired
Mr Joel Blake OBE	19 February 2015	
Ms Nicola Keye	26 November 2015	
Mr David John Richardson Pardoe	26 November 2015	
Ms Claire Evans	1 April 2017	
Mr Anthony Roger Howard	1 August 2019	
Ms Katherine Elizabeth Rouse	1 August 2019	8 June 2022

**Senior Management Team**

Mr Nick Reed (CEO)  
Mr Nick Loveland (COO)  
Mrs Janine Bradley (Director of Finance)  
Mrs Nicole Evans (Director of Commercial Services)  
Mr Richard Loftus (Director of Sales and Marketing) (Resigned 22 December 2021)

**Principal Place of Business and Advisers**

**Registered Office:** B:Music Ltd, Symphony Hall, 8 Centenary Square, Birmingham, B1 2EA.  
**Independent Auditor:** Cooper Parry Group Limited, Office 401, 4<sup>th</sup> Floor, Two Chamberlain Square, Birmingham, B3 3AX  
**Bankers:** National Westminster Bank PLC, Solihull, High Street (A) Branch, Solihull, Birmingham, B91 3TF.  
**Solicitors:** Browne Jacobson, Victoria Square House, Victoria Square, Birmingham, B2 4BU.  
**Company Secretary:** Castlegate Secretaries Ltd, c/o Browne Jacobson, Victoria Square House, Victoria Square, Birmingham, B2 4BU.

**Country of Incorporation:** Registered and incorporated in England and Wales

**Charity number:** 1053937

**Company number:** 03169600

## CHAIR'S REPORT

Over the course of the past year B:Music has slowly returned to something like normal operations as the worst of the restrictions required to contain the Coronavirus pandemic were gradually lifted. Having survived the devastating impact that the virus has had on our sector, it has been a joy to return to our mission of inspiring a love of live music through performance, participation and learning. Despite the societal challenges still ahead, the delight in our audiences and participants at once again being able to fully engage with our work has been palpable, richly rewarding all of the hard work that has gone into ensuring the survival of the charity over the past two years.

The opportunity to finally launch the new spaces created by the Making an Entrance project at Symphony Hall has been a highlight of the year. The charity has now significantly expanded the scope of its work, with regular free to access concerts, more learning opportunities and a growing number of local businesses keen to use our new facilities - with their spectacular views of Centenary Square - for corporate events. There is no doubt that the development has brought a new energy to the building, and with the launch of the new daytime Café Bar Symphony Hall is now a magnet for curious new visitors.

Despite the wider challenges in the employment sector, B:Music has rebuilt its permanent staff team over the past year bringing new energy to the organisation and allowing us the opportunity to welcome an increasingly diverse workforce. Equality, Diversity, and Inclusion remain an organisational priority and I am grateful for the work of both trustees and staff working on various positive initiatives in our EDI group. Colleagues are now making similar positive steps in our Green group, trying to embed sustainability in everything that we do.

Over the past few years B:Music has developed a strong business model, effectively reinvesting the profit from our commercial activities into supporting our charitable objectives. This commercial success has allowed the charity to move from a culture of over-reliance on core subsidy to a position that this subsidy is a diminishing part of our overall income. However, while the live music sector is still recovering from the pandemic and the economy is challenged by inflation, our commercial activity becomes more vulnerable. In these times the support of our wider family of donors is more important than ever. I am so grateful to Birmingham City Council, Arts Council of England and the many trusts, foundations, individuals and corporate friends that continue to support our work.

Over the summer of 2022 Birmingham welcomes the world to the city for the Commonwealth Games and in doing so throws renewed light on the myriad cultural jewels in our region. I am proud that our buildings remain such an important part of the cityscape, and that our work continues to impact so positively by bringing people together through music. I am grateful to all the trustees, staff and wider stakeholders that support us in doing this.



Anita Bhalla OBE, Chair, B:Music Ltd

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

### Introduction

The trustees (who are also the directors of B:Music Ltd (BML) for the purposes of company law) are pleased to present their annual trustees' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2022 which are also prepared to meet the requirements for a strategic and directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (March 2022 (FRS 102) (effective 1 January 2015) - ('Charities SORP (FRS102)').

### Reference and administration information

The Charity has a 25 year lease with Birmingham City Council for Symphony Hall which commenced on 1 May 2015. A new lease takes effect in reversion to the existing lease on 29 September 2026 and ends on 28 April 2050.

The Charity has a 99 year lease with Birmingham City Council for the Town Hall which was signed on 24 June 2016 effective 9 February 2007.

Authority to conduct the day-to-day operations of the charity is delegated by the Trustees to the Senior Management Team. The Senior Management Team is accountable to the Board of Trustees and is responsible for the efficient running of both Town Hall and Symphony Hall with the help of their staff. The Senior Management Team is responsible for the implementation of policies and strategies on behalf of the Trustees.

### Sub-group and Committees

Finance and Scrutiny Committee  
Nominations Committee  
Health and Safety Committee  
Capital Development Committee  
People Committee

### Trustee Constitutional Provisions

One third of trustees shall retire from office each year. A retiring trustee shall be eligible for re-election.

### Structure, Governance and Management

#### Organisational structure

B:Music Ltd is a company limited by guarantee by its Memorandum and Articles of Association that were last amended on 1 September 2011. Birmingham City Council is the sole member.

The charity has been registered with the Charity Commission as an educational charity to educate the public by encouraging appreciation of the arts, in particular music, and to educate young people in performing and composing music.

The charity continues to hold the whole of the issued share capital of B:Music (Enterprises) Ltd ('BMEL'). BMEL is registered with Companies House for England and Wales under number 03146280. Registered Office: B:Music (Enterprises) Ltd, Symphony Hall, 8 Centenary Square, Birmingham, B1 2EA. BMEL is governed by its Memorandum and Articles of Association that were last amended on 9 March 2007.

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

### Governance

The governing body of B:Music is the Board of Trustees. The Board consists of not less than 13 Trustees at the balance sheet date who appoint a Chairman. The Board are legally responsible for the governance and management of the charity.

The Trustees are nominated by the Nominations Committee and subsequently approved by the Board. They are made up of individuals chosen to represent the charity's stakeholders. They have a wide-ranging experience in business, music, education, and media and advise on all aspects of the charity's operation, giving strategic guidance on future development.

### Charity Governance Code

The Board of Trustees has considered the Charity Governance Code and supports the Code's seven principles of organisational purpose: leadership; integrity; decision-making, risk and control; board effectiveness; diversity; and openness and accountability. The Trustees take these principles into consideration in all aspects of policy review and risk management and apply recommendations where appropriate. The Board note the Code is not mandatory, but a practical tool for continuous improvement towards the highest standards.

### Equality, Diversity, and Inclusion (EDI)

B:Music has renewed its commitment to become an organisation where there are no barriers to entry or progression, and it aspires to see the diversity of the region fully represented in its staff and audiences, and in the performers on its stages. The charity recognises that it needs to work positively to achieve this.

B:Music has formed a trustee led EDI group that will lead this work, and it has engaged an external inclusion specialist to survey staff attitudes to create a data set to inform further training, policy formation and specific interventions. There was a really high response rate to this survey suggesting a high level of engagement with this ambition.

### Employee Involvement and Employment of people with disability

As an employer B:Music has a range of human resource policies that support our charitable objectives and our artistic vision to provide more music for more people. Our ambition to provide a relevant and accessible programme of events is matched by a need to work towards diversifying the workforce. Communication and participation are key, to that end we have an employee representative committee who meet regularly, an employee newsletter and regular CEO updates.

More widely we have an access forum; members are drawn from employees, customers and other experts in the field of diversity and access, and they support and guide the organisation to enable it to continue to work towards operating fully inclusive venues.

B:Music Ltd has a diversity policy, respect in the workplace policy, and a long established open and transparent approach to the recruitment, retention and reward of staff.

### Volunteers

B:Music operates a volunteering programme whereby volunteers provide support and assistance to customers attending events. During the year ended 31 March 2021 the venues were closed due to Covid and therefore no volunteers were required. There were no volunteers during the year ended 31 March 2022.

### Trustee Induction and Training

Most Trustees are already familiar with the work of the charity having been encouraged to participate in Sub Groups, Committees and Focus Groups. New Trustees are invited to an induction session with the senior managers of the charity to familiarise themselves with the charity and the context within which it operates. A Trustee induction pack has also been circulated to all Trustees containing key documents and information about how the charity is organised and how it operates. An on-going programme of Trustee training is being devised to further enhance this area.

### Decision Making

The Chief Executive Officer has delegated authority from the trustees for decision making but matters of key strategic importance are presented to Trustees for debate and to benefit from their specific expertise. In terms of programme for example, the detail of individual performances within a season would be delegated to the executive but the decision on whether to introduce a new or high-risk strand of programming would be shared with Trustees. In general principle the CEO will present the risks and benefits of decisions and make a recommendation for board approval.

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

### Fundraising

The fundraising team consists of 3 permanent members of staff who raise money from trusts and foundations, individuals and companies. Since July, the fundraising team have been very pleased to welcome back to Symphony Hall the many wonderfully generous donors to our Making an Entrance capital campaign, showcasing the huge difference our new spaces are making for our local communities.

In October 2021 Buffalo Fundraising Consultants were appointed to conduct a telephone campaign to welcome regular customers and donors back to our venues, increase awareness of our rebrand and charitable objectives and to raise funds for our learning, participation and community engagement projects. Buffalo Fundraising Consultants agree to adhere to any and all fundraising standards and schemes for fundraising regulation that B:Music is voluntarily subscribed to.

The organisation has voluntarily signed up to the Fundraising Regulator, as a demonstration of its willingness to adopt and promote best practice and to raise funds in an appropriate and ethical manner. In addition, the fundraising team has drawn up its own Ethics and Gift Acceptance Policy which has been approved by the Trustees.

Number of complaints about fundraising activity - nil.

### Objectives and Activities

B:Music's general aims continue to be those that are in fulfilment of its charitable objects as stated within its memorandum and articles. Broadly summarised, these are:

- (a) to promote and present concert performances of classical, popular, and contemporary music, complementary to those of the City of Birmingham Symphony Orchestra (CBSO), and of world-class calibre; and
- (b) to educate the public by promoting, fostering, and encouraging the knowledge, understanding, and appreciation of the arts, particularly music, providing an education programme for this purpose.

BML continues to provide a facility of international standing for rehearsal and performances by the CBSO and other local music groups (both professional and amateur) from the City of Birmingham and surrounding region. More broadly, in striving for excellence in all aspects of work, BML aims to consolidate the City of Birmingham's international reputation for musical excellence.

BML measures achievement of its objectives by using a rigorous budgeting process and then reporting regularly during the year on its performance against this budget in both financial and qualitative terms. BML uses a suite of Key Performance Indicators to measure trading performance and is developing reporting tools to give near real time feedback on the financial impact of its programming decisions. This granular understanding of how different events perform will become increasingly important as external support for the organisation declines.

The formal statement of B:Music's charitable objects are better articulated to the public through its Vision and Mission:

#### Vision

Our vision is of a strong organisation where Birmingham's diversity and creativity are part of everything we do - from our support of artists and audiences, to our respect for music from around the corner and around the globe.

#### Mission

Our mission is to inspire a love of live music through performance, participation and learning.

### Achievements & Performance

2021-2022 has been a transitional year for B:Music as the charity has emerged from the worst of the restrictions of the Covid pandemic into a more open but profoundly changed world. Despite this challenging environment the charity has grown in both its ambition and its achievements, bringing several strategic objectives to fruition. B:Music has rebuilt the core capacity of the organisation after furlough and redundancy saw a massive reduction to the staff team during 2020-21. Notwithstanding the wider challenges of the recruitment market the core team is now at full strength and fully delivering on the expanded programme enabled by the new spaces created by the Making an Entrance project at Symphony Hall.

On 1 April the charity formally changed its name from Performances Birmingham Limited to B:Music Limited. This administrative change was followed by a public facing teaser campaign over the subsequent months, progressively revealing the new brand and culminating in a mass door drop to all Birmingham postcodes announcing the re-opening weekend of activities in July. Now in use for over a year this new brand has quickly become adopted by audiences and stakeholders, effectively communicating that B:Music is much more than simply the two buildings that it manages. The brand has adapted well to describing all the wider projects delivered by the charity and its visual language and typography are now instantly recognisable.

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

The timetable of covid restrictions in place during the year once again profoundly affected the programme that B:Music was able to present. The requirement for socially distanced performances continued up until July meaning that only a handful of live events were able to take place in the early part of the year, such as a limited CBSO season. During this period B:Music continued to engage with its audiences digitally, continuing with a programme of streamed events and enabling recordings by partner organisations.

In July B:Music unveiled the new performance spaces created by the Making an Entrance project with a weekend of free events using all these new spaces. This weekend featured a centre piece performance by Paraorchestra alongside performances from many of the charity's partner organisations such as CBSO, Ex Cathedra and Black Voices. Many local artists that had been featured in previous online concerts were also invited to perform making for a packed weekend that was very positively received. A formal stakeholder launch took place in September 2021.

By the autumn, a full and unrestricted programme returned to Symphony Hall and Town Hall albeit one characterised by many concerts that had been re-scheduled from earlier in the pandemic. Considerable instability remained in the programme however with concerts continuing to cancel or re-schedule due to covid related issues in the supply chain. The emergence of the Omicron strain of Coronavirus in late autumn and the subsequent imposition of "Plan B" measures in December had a massive impact on December sales, negatively impacting attendance at some concerts over the traditionally buoyant Christmas season.

More positively the new bars and hospitality spaces at Symphony Hall quickly realised the vision behind them on those concerts that were demographically less impacted by the pandemic. Where audiences remained strong, bar sales have been excellent and the improved ergonomics of the foyer spaces look set to have a long term positive impact on the charity's commercial activities.

Autumn saw the full roll out of the expanded programme of live music and talent development activity in the Jennifer Blackwell Performance Space and the Jane How and Justham Family Rooms. This expansion of the charity's artistic ambition was at the heart of the Making an Entrance project at Symphony Hall and having been frustrated by pandemic restrictions for the first six months of the year, the launch of this programme was a significant milestone for the organisation.

From October through to March B:Music presented the Back to Live programme of events in these new spaces. Supported by an Arts Council of England grant, this season of work included regular partnerships with Sampad, National Open Youth Orchestra, Casey Bailey, Beatfreaks, Birmingham Royal Ballet, Capsule Kids Gigs, Celebrating Sanctuary and Royal Birmingham Conservatoire, alongside several one-off events. All of these have been free to access or very low-priced events and have generated 240 days employment for regional artists across 61 performances, significantly exceeding planned outputs. In parallel with the public facing work, B:Music's talent development ensembles all expanded into the new spaces creating a much-improved environment for the participants. On average 37% of the audience for this new programme of events are new to B:Music.

B:Music has not been immune to the wider trends in work and employment sometimes referred to as "The Great Resignation". This impacted particularly on technical, bar and front of house roles during the autumn of 2021 but started to stabilise into 2022. In spite of these challenges B:Music was able to rebuild a full team of permanent staff over the course of the year as staff returned from furlough and new roles were created. The creation of a formalised hybrid working policy where some staff are able to work off site for some of their contracted hours has proved beneficial. During the year B:Music recruited four apprentices who have brought a new energy to various departments across the organisation.

In overview B:Music has been able to both regularise and grow its work during the year, albeit with the acknowledgment that the pandemic will continue to cast a long shadow. The charity is now modelling that audience numbers and the wider concert supply chain may take some years to return to pre-pandemic levels, with inflation a major factor. Notwithstanding this, the hard work of the staff team in minimising costs and successfully bidding for grant relief over the past two years mean that the charity has retained strong reserves and built a strong and resilient staff team to meet this challenge.

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

### Supporting B:Music

Over the past 12 years B:Music has had to respond to declining public funding by evolving into an organisation that is positioned to maximise its earned income. Prior to the pandemic, B:Music earned about 90% of its income compared to about 75% 10 years ago. This financial year B:Music achieved earned income of 68% compared to 4% during 2020/21.

B:Music is indebted to Arts Council England for £810,000 of Culture Recovery Fund received in this financial year, having awarded £3,000,000 (less additional Coronavirus Job Retention Scheme grant) making a total grant of £2,835,037 over round one and two.

For the second year running, Birmingham City Council relaxed reporting requirement in the Conditions of Grant Agreement (COGA) and maintained cultural grants at existing levels.

Revenue fund-raising, due to the support of our patrons and general public, was able to surpass targets for memberships and unrestricted income achieving £61k (membership and patron income) and £164k (unrestricted donations and gift aid). Overall, 80% of an ambitious philanthropic budget was reached despite a depleted Development team in 2021.

B:Music received capital grants and donations for Making and Entrance of £620k, including support for digital signage of £250k from West Midlands Combined Authority and £100k for fitout costs from Cultural Infrastructure Levy funds. Only a residual of circa £300k is outstanding from pledged income and grants and 80% will be collected in 2022/23.

Particular thanks are given to Birmingham City Council, GBS Local Enterprise Partnership, Arts Council England and our many sponsors and donors for their support.

### Financial review

The results of the charity for the year are set out in the Consolidated Statement of Financial Activities on page 15.

Despite the prevailing Covid restrictions up to July 2021, overall there were 551 events in 2021/22 including 136 in Town Hall, 395 in Symphony Hall, 16 delivered online and 4 offsite. This compares to one ticketed event across Town Hall (nil) and Symphony Hall (1) in 2020/21.

The core grant from Birmingham City Council amounted to £1,388k (2021: £1,388k) and enables the charity to fulfil its current charitable purposes.

Expenditure in the year totalled £10,567k (2021: £5,214k). 91% of the expenditure relates to the delivery of the charity's objectives. 9% of the total expenditure incurred in the year is incurred through activities related to generating funds; these include income-generating activities such as commercial hires and sponsorship.

### Subsidiary undertakings

The charity's wholly owned subsidiary, BMEL, continues to contribute to the charity's mission and its financial results are shown in note 27 to the consolidated financial statements.

In 2021/22 it continues to trade in the provision of food and beverage and commercial hires and saw the soft opening of the Symphony Hall City Cafe. In the year BMEL made a profit of £113k after BML management fees and service charges of £329k (2021: £56k) and £24k (2021: £2k) BML hall hire.

BMEL will contribute £89k in gift aid to the charity within nine months of the year end.

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

### Principal funding sources

The principal ongoing funding source for the charity is rental and admission income, contributing 47% (2021: 1%) of the unrestricted income. The grant received from Birmingham City Council constituted 13% (2021: 15%) of unrestricted income this year. The charity received £620k (2021: £3,809k) in funding for Making An Entrance this year.

### Principal Related party

Birmingham City Council was a related party during the year and is the sole member of BML.

### Investment policy and performance

The funds available for the charity to invest comprise 57% advance box office receipts and 43% cash reserves. In order to retain flexibility and availability of these funds, the charity utilises short term, low risk financial markets treasury investments. No other investment vehicle is used.

The charity's investments are also held as a means of earning revenue on designated and restricted funds until they are required. At 31 March 2022 £2,525k (2021: £2,513k) was held on a 60 day notice account yielding 0.30% (2021: 0.90%) during the year.

### Pay policy

The key management personnel are responsible for the running, controlling, and operating of the charity on a day-to-day basis. Recruitment is carried out by the Head of HR and the relevant heads of department in line with the Pay Policy Framework.

The framework comprises

- Approved pay bands and structure
- Pay levels reviewed annually as part of organisational reviews
- Any changes to pay levels arising from annual review are authorised by Finance and Scrutiny Committee

### Reserves policy and analysis

The Trustees review the reserves policy on an annual basis.

### Restricted Fund

In relation to the charity's Restricted Fund, these contain donations from trusts, foundations and individuals to be used for specific charitable objectives. The total balance of these funds at 31 March 2022 was £12,887k with £12,403k (2021: £12,601k with £12,054k) of this balance representing donations which were used to fund the foyer extension (Making An Entrance) and purchase the Symphony Hall organ and other assets and, as such, do not represent 'cash' items. A further £155k (2021: £151k) is held in reserve to cover future funding of organ maintenance at Symphony Hall. This will be used to maintain and refurbish the instrument. The remainder consists of funds raised to support Symphony Hall's Education and Community Programme as well as funds specifically donated for other purposes. A detailed analysis is given in note 19 to the accounts.

### Unrestricted Fund

#### Policy

The Unrestricted Fund relates to carrying out the charity's general objectives. The Trustees review the reserves policy every year and in the light of the changed economic conditions of the last few years which have forced our principal funder, Birmingham City Council, to cut their grants to all arts organisations. The Trustees have agreed to build a level of general reserves of at least £1M to give the organisation the ability to be able to deal with unexpected events or to exploit new opportunities. The Trustees expect to achieve this within five years, however the ongoing impact of the pandemic is unknown at this stage.

Symphony Hall and Town Hall are iconic buildings and a core part of Birmingham's landscape. Each venue hosts a wide range of music and non-music related events including party political conferences and corporate meetings which have a high media profile. The Trustees believe that it is the responsibility of BML to maintain high standards of design and decoration at both venues and have therefore designated £1.2M of funds for current and future Long Term Maintenance projects.

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

The 'Designated' Funds at 31 March 2022 totalled £1,455k (2021: £1,453k), including £1.2m (2021: £1.3m) for future building maintenance commitments for Town Hall and Symphony Hall and £45k (2021: £45k) for Making An Entrance activity, details of which are set out on page 7.

The 'General Reserve' fund has a balance of £831k (2021: £822k).

### Principal business and financial risks and uncertainties

The charity's principal trading activities can be summarised as Own Promotion, Co-Promotion and Rental in the organising of events at Town Hall and Symphony Hall. Each of these categories of event has different risk profiles.

The charity manages these uncertainties and risks appropriately through a robust mechanism of controls which include monthly reporting of event profitability, daily monitoring of box office receipts for future events and pre-event profitability forecasts & analysis.

### Risk management

The trustees have a risk management strategy which comprises:

- a quarterly review of the principal risks and uncertainties that the charity and its trading subsidiary face
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

These are the main areas of risk affecting the charity:

#### Coronavirus Pandemic

The coronavirus pandemic remains a significant meta risk to the charity, manifesting it in several specific areas:

**Concert Programme:** There remains some ongoing instability in the live events sector causing events to cancel or reschedule, impacting both income and audience confidence. As artists try to recoup two years of lost touring income there is also the possibility of over-supply, with audiences for artists that tour regularly likely to dwindle, as ticket buyers prioritise more unique events. The charity is now re-modelling the yields arising from different event types to optimise the programme for an uncertain market over the next couple of years.

**Conferences and Events:** The move to virtual or hybrid meetings over the pandemic has impacted the in-person conference market which is yet to return to pre-pandemic levels. This places, a small but profitable part of the charity's events programme at ongoing risk.

**Audiences:** There is clear evidence that audiences for some genres of music have been slower to return post-pandemic than others. This is most evident with classical music which on average attracts the oldest audience. This directly affects B:Music's income both from directly promoted classical concerts and from those presented by the CBSO.

**Recruitment:** The pandemic has prompted unprecedented instability in the labour market due to changing attitudes to work. There has been a labour crisis in the hospitality sector and volatility in many other areas traditionally staffed by hourly paid workers. B:Music is heavily reliant on casual staff for its daily operations and is therefore vulnerable to not being able to meet minimum staffing levels or to achieve the bar sales required by the budget. To mitigate this the charity is offering more permanent roles with guaranteed hours and actively upselling the benefits of working for the charity.

**Operations:** B:Music has a relatively small operations team with little cross over between roles. It is therefore vulnerable to new variants of the virus requiring its staff to self-isolate, impacting on the ability to physically staff events. To mitigate against this more senior staff are being trained as duty managers and other staff are being encouraged to cross into operational roles if required.

#### Politics and the economy

The resignation of the prime minister in July precipitated a protracted period of political instability on top of an already anxious national mood. The national debate is dominated by fuel prices, food poverty and inflation, and the political turmoil means that clear policies to deal with these public priorities are unlikely to emerge for some time. The ongoing war in Ukraine is a further unsettling influence.

This climate compounds specific post pandemic issues with a fundamental challenge to the affordability of concerts. The likelihood of reduced consumer spending on non-essentials such as leisure activities poses a significant risk.

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

### City Centre issues

As hybrid working becomes normalised across many white collar industries, footfall in the city centre has reduced from pre-pandemic levels with a possible impact on B:Music's daytime trading. Similarly there may be less city workers around to enjoy a concert after work.

Ongoing building works in the city and the extension of the Metro to Edgbaston continue to create the impression that the city centre is inaccessible to some audiences. This has been compounded by the introduction of the Clean Air Zone ("CAZ") in June 2021 which levies a significant daily charge for non-compliant vehicles entering the zone. Both Symphony Hall and Town Hall and associated parking are within the CAZ. Road closures and travel restrictions implemented to enable the Commonwealth Games in Summer 2022 will further challenge audiences who need to travel by car to attend concerts.

### Birmingham City Council Grant

B:Music receives a discretionary annual grant of c. £1.3m from Birmingham City Council, nominally to cover the rent and service charges attributable to Symphony Hall arising from its position as part of the wider ICC building. As these service costs increase and the grant remains static, it is likely that this grant will fail to cover those costs within the next couple of years. This is a significant risk to the charity. B:Music is seeking to renegotiate the flow of funds to protect the charity's financial position.

### Reserves and maintenance

Another current risk is the inability to invest in building infrastructure and long-term maintenance due to falling funding. A plan to accumulate a designated fund for long term maintenance of both venues is built into the charity's financial strategy. Trustees have agreed that £801,000 will be committed to long term maintenance projects over the next 3 years.

### Terror threat

Following the terrorist attacks in Manchester and London in May 2017 the security of our venues and safety of our patrons and staff has become our highest risk. Management of this risk is ongoing with additional planning and resource being deployed.

### Liquidity risk

The charity's policy is to ensure continuity of available funding by active management of working capital.

### Credit Risk

The charity has no significant concentrations of credit risk. The charity has implemented policies that require appropriate credit checks on potential customers before sales commence.

### Insurances of Directors

The charity maintained insurance for the Trustees in respect of their duties as Directors of the charity throughout the financial year ended 31 March 2022 and such indemnity insurance was in place at the date of approval of these financial statements. For the financial year under review the total cost of the indemnity insurance for the Trustees was £3k and the cover £2m (2021: £2.8k cost and £2m cover).

### Public Benefit

In preparing these financial statements the Trustees have taken into consideration the Charity Commission guidance on public benefit. All BML charitable purposes are for public benefit. All BML trustees carry out their charity's purposes for public benefit, and reporting takes place each year to demonstrate this.

### Plans for future periods

#### Working towards more ways to increase the value and impact of B:Music's work

It is the Trustees' intention to build on the successes achieved to date so that both venues continue to work together to:

- Provide a platform for local performers, amateur and professional, alongside a forward-looking programme of national and international performances and events,
- Provide a programme mix that engages past audiences and develops future ones,
- Create performance, participation and learning opportunities for young people,
- Identify and serve the needs of the multi-cultural population of the city,
- Engage all visitors with the Town Hall's heritage and its role in Birmingham's contemporary civic and cultural life,

## REPORT OF THE TRUSTEES AND STRATEGIC REPORT

- Make both venues welcoming and accessible to all, delivering a variety of cultural, community, civic and corporate activities to the highest professional standards with outstanding customer service.

### Funding Review

Birmingham City Council has always placed great value on culture in the city and the organisations that promote the arts - B:Music has always been extremely grateful for the funding that it has received. Nevertheless, pressure on local government budgets is more intense than ever and as a result the amount of money which Birmingham City Council can devote to the arts has inevitably had to reduce over recent years.

Making an Entrance, the project to extend Symphony Hall's foyers and public spaces was B:Music's strategic response to this decline in public funding and a significant step on the road to financial self-reliance. The project was the cornerstone of a five-year business plan to increase earned income and trust and foundation support. The impact of COVID-19 during 2020-21 delayed our ability to unlock the financial potential of the new facilities and set the planning timeline back significantly. The asset was finally brought into economic use on 1 September 2021.

During the Covid pandemic, Birmingham City Council elected for the arts funding support to remain at 2020-21 levels to allow planning to continue unimpeded. A static grant has continued in 2022-23. The five-year plan is now being rebased for a recovery period and public confidence to return. B:Music received £23,717 of Local Restrictions Support Grants in response to Tier closures in Birmingham.

In April 2021 B:Music secured a grant of £465,325 in the second round of Culture Recovery Fund. The support of the Arts Council, together with the general reserves of the charity, enabled B:Music to remain financially secure.

### Trustees' responsibilities statement

The Trustees (who are also directors of B:Music Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report, the Strategic 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that 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 the Companies Act 2006. 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.

### Statement of disclosure of information to the auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company'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 Trustees on 20 October 2022 and signed on their behalf by:



Anita Bhalla OBE  
Chair

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF B:MUSIC LTD

### Opinion

We have audited the financial statements of B:Music Limited ("parent charitable company") and its subsidiary ("the group") for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 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 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 and 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' Annual Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF B:MUSIC LTD

**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' Annual Report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (incorporating the strategic report and the directors' report) has been prepared in accordance with legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (incorporating the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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, the trustees 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 company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with this Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below:

Our assessment focussed on key laws and regulations the group and parent charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Trustee Act 2000, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, Health and safety legislation and employment legislation.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF B:MUSIC LTD

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and parent charitable company and how the group and parent charitable company are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the group and parent charitable company's control environment and how the group and parent charitable company have applied relevant control procedures, through discussions with management and by performing walkthrough testing over key areas;
- obtaining an understanding of the group and parent charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.


Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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 Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Atkins FCA (Senior Statutory Auditor)

for and on behalf of  
**Cooper Parry Group Limited**

Chartered Accountants and Statutory Auditor  
Cubo Birmingham  
Office 401, 4<sup>th</sup> Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

Date: 20th October 2022

**B:MUSIC LTD**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

		2022	2022	2022	2021	2021	2021
		Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
		Fund	Fund	Fund	Fund	Fund	Fund
	Note	£000	£000	£000	£000	£000	£000
<b>Income from:</b>							
Donations and legacies	2	34	182	216	231	74	305
Charitable activities:							
Rental & admissions	3a	-	5,103	5,103	-	97	97
Grants receivable	4	834	2,458	3,292	3,713	5,184	8,897
Other charitable activities	3b	-	960	960	-	157	157
Other trading activities	5	-	1,280	1,280	-	91	91
Investments	6	-	13	13	-	18	18
<b>Total</b>		<b>868</b>	<b>9,996</b>	<b>10,864</b>	<b>3,944</b>	<b>5,621</b>	<b>9,565</b>
<b>Expenditure on:</b>							
Raising funds:							
Commercial trading operations	7	-	(827)	(827)	-	(217)	(217)
Fundraising	7	-	(108)	(108)	-	(105)	(105)
Charitable activities	7	(582)	(9,050)	(9,632)	(200)	(4,692)	(4,892)
<b>Total</b>		<b>(582)</b>	<b>(9,985)</b>	<b>(10,567)</b>	<b>(200)</b>	<b>(5,014)</b>	<b>(5,214)</b>
<b>Net income for the year</b>		<b>286</b>	<b>11</b>	<b>297</b>	<b>3,744</b>	<b>607</b>	<b>4,351</b>
Transfers between funds	19/20	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>286</b>	<b>11</b>	<b>297</b>	<b>3,744</b>	<b>607</b>	<b>4,351</b>
Fund balances brought forward at 1 April 2021		12,601	2,275	14,876	8,857	1,668	10,525
<b>Fund balances carried forward at 31 March 2022</b>		<b>12,887</b>	<b>2,286</b>	<b>15,173</b>	<b>12,601</b>	<b>2,275</b>	<b>14,876</b>

All the above results are derived from continuing activities. All gains and losses in the year are included in the above.

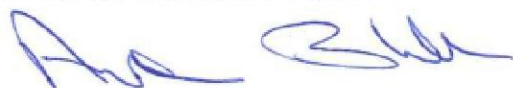
The notes on pages 18 to 35 form part of these financial statements

B:MUSIC LTD (Company No. 03169600)  
 GROUP AND CHARITY BALANCE SHEETS  
 AS AT YEAR ENDED 31 MARCH 2022

	Note	Group		Charity	
		2022	2021	2022	2021
		£000	£000	£000	£000
<b>Fixed Assets</b>					
Intangible fixed assets	12	88	108	88	108
Tangible fixed assets	13	13,723	13,580	13,723	13,580
<b>Total Fixed Assets</b>		<b>13,811</b>	<b>13,688</b>	<b>13,811</b>	<b>13,688</b>
<b>Current Assets</b>					
Stocks	14	27	-	-	-
Debtors	15	1,506	985	1,292	922
Cash Investments		2,525	2,513	2,525	2,513
Cash at bank and in hand		4,105	3,174	4,019	3,155
<b>Total Current Assets</b>		<b>8,163</b>	<b>6,672</b>	<b>7,836</b>	<b>6,590</b>
<b>Creditors - amounts falling due within one year</b>	17	<b>(6,155)</b>	<b>(4,815)</b>	<b>(5,918)</b>	<b>(4,709)</b>
<b>Net Current Assets</b>		<b>2,008</b>	<b>1,857</b>	<b>1,918</b>	<b>1,881</b>
<b>Creditors - amounts falling due after one year</b>	18	<b>(646)</b>	<b>(669)</b>	<b>(646)</b>	<b>(669)</b>
<b>Net Assets</b>		<b>15,173</b>	<b>14,876</b>	<b>15,083</b>	<b>14,900</b>
<b>The Funds of the Charity:</b>					
Restricted Income Funds	19	12,887	12,601	12,887	12,601
Unrestricted Income Funds					
Designated funds	20	1,455	1,453	1,455	1,453
General reserve	20	831	822	741	846
<b>Total Unrestricted Income Funds</b>		<b>2,286</b>	<b>2,275</b>	<b>2,197</b>	<b>2,299</b>
<b>Total Charity Funds</b>		<b>15,173</b>	<b>14,876</b>	<b>15,083</b>	<b>14,900</b>

The charity has taken advantage of Section 408 of the Companies Act 2006 and paragraph 397 of the SORP and has not included a separate Statement of Financial Activities in these financial statements. The Statement of Financial Activities on page 15 includes £9,923k (2021: £9,460k) of income and £9,740k (2021: £4,997k) of expenditure relating to the charity.

These financial statements were approved and authorised for issue by the Trustees and signed on their behalf by



Ms Anita Bhalla OBE

Date: 20/10/22

The notes on pages 18 to 36 form part of these financial statements

**B:MUSIC LTD**  
**CONSOLIDATED STATEMENT OF CASHFLOWS**  
**AS AT 31 MARCH 2022**

	Notes	2022	2021
		£000	£000
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	22	<u>1,622</u>	<u>5,159</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		12	18
Purchase of property, plant and equipment		<u>(634)</u>	<u>(6,778)</u>
Net cash (used in) investments:		<u>(622)</u>	<u>(6,760)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		<u>(57)</u>	-
		<u>(57)</u>	-
Change in cash and cash equivalents in the reporting period		943	(1,601)
Cash and cash equivalents at 1 April 2021		<u>5,687</u>	<u>7,288</u>
Cash and cash equivalents at 31 March 2022	23	<u>6,630</u>	<u>5,687</u>

## 1. Accounting policies

### Basis of preparation of accounts

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (January 2022) (FRS102) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

B:Music Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The accounting policies mentioned have been applied consistently across the year.

### Judgements and estimations

Management has not made any significant judgements in the process of applying the accounting policies and there are no areas of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Preparation of accounts on a going concern basis

These accounts have been prepared on the going concern basis. This is underpinned by:

- Robust budgetary control mechanisms
- Regular review of staff remuneration policies and non-pay cost reviews
- Regular review of our risk register
- Income growth targets in specific areas to mitigate the loss of public funding

### Basis of consolidation

The Group's financial statements include the financial statements of the charity and its trading subsidiary, BMEL and have been consolidated on a line-by-line basis. Uniform accounting policies are adopted across the group. A separate Statement of Financial Activities and income and expenditure account are not presented for the charity itself following exemptions afforded by Section 408 of the Companies Act 2006.

### Income

Income is generally recognised on a receivable basis for generating funds but income generated from charitable activities is recognised at the point revenue and the costs associated with the delivery of the services can be reliably measured. It is measured at the fair value of the consideration received or receivable.

The specific bases used are as follows:

- Donations and legacies are accounted for on a receivable basis.
- Investment income is accounted for on an accruals basis.
- Charitable activity, trading and merchandising income is accounted for when earned.
- Grants are recognised when the entitlement to the grant is confirmed.

### Investments

All of the charity's investments are held as cash deposits and the charity does not currently have any investments where losses can be incurred.

### Expenditure

Expenditure is recognised when it is incurred and is reported gross of related income on the following bases:

- Raising funds comprises the costs associated with attracting voluntary income and the other costs of other income generation e.g. costs associated with provision of catering services.
- Charitable expenditure comprises direct expenditure, including direct staff costs attributable to its activities for its concert programmes and educational programme, and indirect staff costs and overheads.
- Governance costs include those incurred in the governance of its assets and are associated with constitutional and statutory requirements.

## 1. Accounting policies - continued

### Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on the straight-line basis over the lease term.

### Employee benefit costs

Contributions to pension schemes are charged to the Statement of Financial Activities as incurred (see note 8).

### Intangible fixed assets and amortisation

Intangible fixed assets comprise software and IT system licences which are amortised over five years. The amortisation charge is included within expenditure on charitable activities within the Consolidated Statement Of Financial Activities.

### Tangible fixed assets and depreciation

It is the charity's policy to capitalise the cost of major capital projects and to depreciate them over their estimated useful lives. As a matter of policy expenditure is capitalised on individual projects where that expenditure is more than £10,000 in total and it directly results in:

- Generation of new economic benefit;
- Enhancement in the economic benefit generated from existing assets; or
- Substantial increase in the economic life of existing assets.

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

The cost of the Organ (note 13), which comprises the acquisition and construction costs, is being depreciated and charged against the restricted fund over the term of the sub-lease (25 years) from the date of installation (20 October 2001). IT equipment is depreciated over 2,3,5,7 or 10 years dependent on the nature of the equipment. Other assets are being depreciated on a straight-line basis over their useful economic life as follows:

#### Over five years

Box office system, Town Hall projectors, Symphony Hall bars equipment, gift shop fixtures and fittings, digital media displays, dishwashers, refrigeration, tables and chairs, THSH Wi-Fi, Town Hall AV equipment, Symphony Hall radio system, Symphony Hall production LX

#### Over six years

Heineken bar

#### Over seven years

Town Hall lighting, Town Hall PA system

#### Over twenty years

Symphony Hall lighting

Where an asset ceases to be used, or the value of that asset falls below the reported net realisable value (cost less depreciation to date) of that asset, an impairment review will be carried out by the charity.

### Debtors

Trade and other debtors are recognised at the settlement amount due after any discounts. Prepayments are valued at the amount prepaid net of any discounts.

## 1. Accounting policies - continued

### Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

### Stocks

Stocks are stated at the lower of cost, being the purchase price for items, and net realisable value, being the lowest reasonable price attainable upon sale, on a first in, first out basis.

Gift Shop - The gift shop closed in 2020 due to Covid and never reopened. A decision was made to close the Gift Shop permanently during this financial year. Remaining stock was sold off in a clearance sale to staff and local Arts venues.

### Deferred Income

Box Office receipts received in advance are recognised as deferred income and valued at the amount received for advanced ticket sales.

### Cash and Bank Balances

Cash and bank balances includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition.

### Financial Instruments

The group 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.

### Funds

B:Music Ltd has designated funds which are unrestricted funds set aside for specific purposes by the Trustees and which would otherwise form part of the charity's general reserve.

The general reserve relates to unrestricted funds that are available to carry out any of the charitable objectives of the charity.

The income generated from assets held as unrestricted funds is treated as unrestricted income.

Restricted funds are funds that have restrictions imposed by donors and can only be applied for the particular purposes specified by donors.

The income generated from assets held in restricted funds is treated as restricted income unless either the terms of the original restriction specifically says otherwise or the restricted fund is an endowment fund, whose income is expendable at the Trustees' discretion.

## 2. Donations and legacies

Income from donations and legacies relates to donations received from individuals and trusts to further the charity's objectives.

**3. Income from charitable activities**

**(a) Rental and admissions**

	2022	2021
	£000	£000
<b>Rental</b>		
City of Birmingham Symphony Orchestra	397	82
Local music users	36	9
Third party promoters	427	6
Other	41	-
	901	97
<b>Admissions</b>		
Birmingham Classical	9	-
Promoted and co-promoted events	4,193	-
Other	-	-
	4,202	-
	5,103	97

**(b) Other charitable activities**

This relates to services provided in connection with the rental of Town Hall and Symphony Hall, including box office commission and programme sales, which are integral to the activities and the delivery of the charity's objectives.

**4. Grants receivable**

		2022	2021
		£000	£000
Core grant	(a)	1,388	1,388
Capital project (MaE) grants	(b)	-	3,598
Cultural Recovery Fund grant	(c)	810	2,025
Arts Council England Emergency grant	(c)	-	300
Coronavirus Job Retention Scheme grant	(d)	233	1,442
Other grants	(e)	861	144
		3,292	8,897

- (a) The charity was awarded a core revenue operating grant from Birmingham City Council to enable B:Music Ltd to fulfil its charitable aims and objectives at Town Hall and Symphony Hall. A service level agreement is agreed annually.
- (b) The charity was awarded grants from Arts Council England and The Local Enterprise Partnership in respect of the capital project (MaE)
- (c) The charity was awarded grants from Arts Council England to enable its economic survival post Covid.
- (d) The charity was awarded Coronavirus Job Retention Scheme grant in respect of staff furloughed during the coronavirus pandemic.
- (e) This comprises grants received from several individuals, trusts, foundations and other grant giving organisations. The charity was awarded a grant from the Arts Council England to enable B:Music Ltd to fulfil its charitable aims and objectives in relation to the Jazzlines series. A service level agreement is agreed every four years.

5. Income from other trading activities

	2022	2021
	£000	£000
Catering income	896	-
Sponsorship income	78	41
Merchandise income	5	50
Rentals	301	-
	<b>1,280</b>	<b>91</b>

6. Investments

	2022	2021
	£000	£000
Bank interest	13	18

7. Expenditure

		Staff £000	Direct £000	Support £000	2022 £000
Raising funds	- commercial trading	377	345	105	827
	- fund raising	108	-	-	108
Charitable activities	- concert and educational programmes	2,040	4,044	3,527	9,611
	- governance costs	10	-	11	21
Total expenditure		<u>2,535</u>	<u>4,389</u>	<u>3,643</u>	<u>10,567</u>

		Staff £000	Direct £000	Support £000	2021 £000
Raising funds	- commercial trading	165	19	33	217
	- fund raising	105	-	-	105
Charitable activities	- concert and educational programmes	2,433	113	2,324	4,870
	- governance costs	10	-	12	22
Total expenditure		<u>2,713</u>	<u>132</u>	<u>2,369</u>	<u>5,214</u>

Direct costs are those associated with providing the activity, for example co-promoters share and artist fees.

Support costs relate to premises, professional services, marketing, information technology, telephone, printing and stationery, equipment purchase and repair and other sundry costs.

The above costs include:

	2022 £000	2021 £000
Auditor's remuneration - audit fees	17	17
- non audit fees	2	33
Operating leases - plant and machinery	6	6
Operating leases - land and buildings	46	46
Depreciation - owned tangible fixed assets	491	268
Amortisation - owned intangible fixed assets	20	20

## 8. Employee information

The average headcount of core employees was 49 (2021:60) in the financial year. Staff costs also include variable employees engaged on a daily basis from time to time as the fluctuations in the charity's business dictate. All variable employees, as with the management team, are employed by B:Music Ltd.

### Staff costs analysis

	2022	2021
	£000	£000
Wages and salaries	2,323	2,501
Social security costs	163	157
Other pension costs	49	55
	<b>2,535</b>	<b>2,713</b>

From 1 April 2008 certain employees were transferred to the company who participated in the NEC Limited defined benefit pension scheme. No surplus or deficit relating to past service was transferred to the company at this date, and the company is not liable for any deficit that would subsequently arise relating to past service. On 1 May 2015 NEC Limited was replaced as principal employer by PETPS (Birmingham) Limited. The status of the defined benefit pension scheme is disclosed in the financial statements of PETPS (Birmingham) Limited. The company is unable to identify its share of the underlying assets and liabilities in the scheme at the year end.

In 2008 all B:Music Ltd members and new members joined the NEC's Group Personal Pension Plan (GPPP). This is a defined contribution scheme. On 31 March 2017 all members of NEC's GPPP were transferred to a B:Music Ltd GPPP, following the review of pay and benefits during 2014 and 2015. The B:Music Ltd scheme is a defined contribution scheme. Those staff not eligible to join the GPPP are auto-enrolled in the government's NEST scheme.

### Higher paid employees

The number of employees whose emoluments, excluding pension contributions, fell within the following band is:

	2022	2021
	Number	Number
£70,001 - £80,000	1	1
£120,001 - £130,000	1	1

Emoluments for this purpose include gross salary and benefits in kind and are stated before taking account of charges made to third parties. No retirement benefit contributions were made to the above employees.

### Staff numbers

	2022	2021
	Number	Number
<b>By Activity</b>		
Charitable activities	194	241
Cost of generating funds	7	9
	<b>201</b>	<b>250</b>

Staff numbers include the absolute number of staff employed; full-time, part-time and on a variable basis.

**Key Management Personnel**

	2022	2021
	£000	£000
Total remuneration (charity and group)	421	378

Key management personnel comprise five employees with a member of the team leaving on 22 December 2021 (2021: six employees).

**Redundancy and Termination Payments**

There was one termination payment during the year comprising £25k of discretionary pay (2021: £7k statutory and £5k discretionary).

There were no liabilities in respect of redundancy and termination payments at the balance sheet date (2021: nil).

**9. Trustees' remuneration**

The Chairman of the Trustees received remuneration during the year of £10k (2021: £10k).

The other Trustees of the charity do not receive any remuneration but are reimbursed any expenses for their services. In the year £nil was reimbursed for travel expenses (2021: £nil).

There are no retirement benefits paid to Trustees (2021: nil).

Remuneration and expenses are paid in accordance with the governing Articles of Association.

**10. Related party transactions - Organisations**

Birmingham City Council is the sole member of B:Music Ltd. During the year the charity undertook the following transactions with Birmingham City Council:

	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
	Sale of goods and services		Purchase of goods and services	
Birmingham City Council	673	334	852	817

The purchase of goods and services includes the lease of Symphony Hall, venue services charges and business rates.

The amount due to Birmingham City Council included in trade creditors at 31 March 2022 was £8k (2021: £1k).  
 The amount due from Birmingham City Council at 31 March 2022 was nil (2021: nil).

**Related party transactions - Trustees and Core Staff**

Councillor Alex Aitken is a trustee of BML. He is an elected member of Birmingham City Council.

Ms Helen Bates is a trustee of BML and a director of BMEL until 17 June 2022. She is a director of the Greater Birmingham Chambers of Commerce and a board member of St Basil's.

Oluwamayokun Alonge is a trustee of BML. He is a trustee of The Equal Group Corporation Limited.

Davinderpal Bansal is a trustee of BML. He is a director of GHA (Property) Limited and Glenn Howells Architects Limited and designated member of GHA Services LLP.

Ms Anita Bhalla is a Trustee and Chair of BML. She is a Trustee of The Saintbury Trust, a council member of The University of Warwick and a non- executive director of the Greater Birmingham & Solihull Local Enterprise Partnership. Her spouse is Chair of SAMPAD South Asian Arts and Heritage.

Mr Paul Faulkner was a trustee of BML until 2 September 2021. He was the Chief Executive of the Greater Birmingham Chambers of Commerce until March 2021.

Councillor Ewan Mackey is a trustee of BML. He is an elected member of Birmingham City Council and Royal Sutton Coldfield Town Council.

Mr Ian Myatt is a Trustee of BML. He is an employee of the University of Birmingham and a board member of the Birmingham International Piano Competition.

Mr James Tait is a Trustee of BML. He is a partner at Browne Jacobson LLP.

BMEL acts as a commercial hire venue and as a box office ticket agent for graduations of locally based Universities and other organisations. For related party disclosure the nature of the transactions is shown separately.

Transactions

		Group			
		Trading		Box Office	
		2022	2021	2022	2021
		£000	£000	£000	£000
<b>Received from</b>					
Glenn Howells Architects Limited	Owed nil (2021:nil)	1	-	-	-
Browne Jacobson (trade exchange)	Owed nil (2021:nil)	24	-	-	-
University of Birmingham	Owed 3 (2021:nil)	3	-	-	-
Greater Birmingham and Solihull Local Enterprise Partnership Limited	Owed nil (2021:nil)	3	-	-	-
<b>Paid to</b>					
Browne Jacobson (other)	Owed nil (2021:nil)	31	22	-	-
SAMPAD South Asian Arts and Heritage	Owed nil (2021:nil)	2	-	-	-
Greater Birmingham Chamber of Commerce	Owed nil (2021:nil)	1	1	-	-
The Equal Group Corporation Limited	Owed 6 (2021:nil)	19	-	-	-
Music Beyond Mainstream	Owed 1 (2021:nil)	1	-	-	-

During the year BML received a total of £15k (2021: £921k) in restricted donations from organisations connected to related parties.

11. Taxation and charitable status

As a charity, BML is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

## 12. Intangible fixed assets - Group and Charity

	Total 2022 £000
<b>Cost:</b>	
At 1 April 2021	143
Additions	-
At 31 March 2022	143
<b>Accumulated depreciation:</b>	
At 1 April 2021	(35)
Provided during year	(20)
At 31 March 2022	(55)
<b>Net book value of assets as at 31 March 2022</b>	<b>88</b>
Net book value of assets as at 31 March 2021	108

Intangible fixed assets comprise software and IT system licences.

## 13. Tangible fixed assets - Group and Charity

	2022 £000	2022 £000	2022 £000	2022 £000	2022 £000
	Leasehold Buildings	Construction Work in progress	SH Organ Project	Other	Total
<b>Cost:</b>					
At 1 April 2021	-	12,733	1,294	1,494	15,521
Additions	-	441	-	193	634
Transfer	12,592	(13,174)	-	582	-
At 31 March 2022	12,592	-	1,294	2,269	16,155
<b>Accumulated depreciation:</b>					
At 1 April 2021	-	-	(1,045)	(896)	(1,941)
Provided during year	(256)	-	(53)	(182)	(491)
At 31 March 2022	(256)	-	(1,098)	(1,078)	(2,432)
<b>Net book value of assets as at 31 March 2022</b>	<b>12,336</b>	<b>-</b>	<b>196</b>	<b>1,191</b>	<b>13,723</b>
Net book value of assets as at 31 March 2021	-	12,733	249	598	13,580

14. Stocks

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Finished goods	27	-	-	-

Finished goods are bought in goods for resale and are valued at the lower of cost and net realisable value on a first in, first out basis. The replacement cost of stock is not materially different to the purchase cost.

	2022	2021
	£000	£000
Finished Goods		
Catering	27	-
The Shop	-	27
Cost of stock	27	27
Slow-moving stock provision	-	(27)
	27	-

15. Debtors

	Group	Group	Charity	Charity
	2022	2021	2022	2021
	£000	£000	£000	£000
<b>Amounts Falling Due Within One Year</b>				
Trade debtors	526	171	295	124
Other debtors	29	92	8	71
Value Added Tax	134	53	177	60
Prepayments	490	446	487	444
Accrued income (note 16)	327	223	325	223
	1,506	985	1,292	922

## 16. Accrued Income

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Accrued income brought forward	223	3	223	3
Released in the year	(223)	(3)	(223)	(3)
Accrued in the year	327	223	325	223
<b>Accrued income carried forward</b>	<b>327</b>	<b>223</b>	<b>325</b>	<b>223</b>

## 17. Creditors - amounts falling due within one year

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Trade creditors	536	283	461	282
Secured loan	37	41	37	41
Amounts owed to group undertakings: BMEL	-	-	198	24
Taxation and social security	54	39	54	39
Other creditors	2,221	1,403	2,103	1,404
Accruals	1,370	619	1,300	605
Deferred income	1,937	2,430	1,765	2,314
	<b>6,155</b>	<b>4,815</b>	<b>5,918</b>	<b>4,709</b>

## Deferred Income

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Deferred income brought forward	2,430	1,888	2,314	1,751
Released in the year	(1,749)	(607)	(1,755)	(535)
Deferred in the year	1,256	1,149	1,206	1,098
<b>Deferred income carried forward</b>	<b>1,937</b>	<b>2,430</b>	<b>1,765</b>	<b>2,314</b>

Deferred income comprises amounts, such as hall rental, invoiced for future events together with amounts received for the purchase of tickets for future events promoted or co-promoted by BML.

18. Creditors - amounts falling due after one year

	Group 2022 £000	Group 2021 £000	Charity 2022 £000	Charity 2021 £000
Secured loan:				
Due within 2 to 5 years	108	103	108	103
Due after 5 years	538	566	538	566
	<b>646</b>	<b>669</b>	<b>646</b>	<b>669</b>

19. Restricted income funds

		Balance 1 April 2021 £000	Income £000	Amounts utilised £000	Transfers £000	Balance 31 March 2022 £000
Organ construction	(1)	249	-	(53)	-	196
Organ maintenance	(2)	151	4	-	-	155
Community Spirit (Sing for all)	(3)	9	4	(11)	-	2
Generation Ladywood projects	(4)	142	-	(2)	-	140
Project soundlounge	(5)	24	-	-	-	24
Jazzlines projects	(6)	109	107	(156)	-	60
Small education projects	(7)	5	-	(3)	-	2
Small non-education projects	(8)	67	78	(51)	-	94
Steinway Piano fund	(9)	-	55	-	-	55
Capital campaign	(10)	11,845	620	(306)	-	12,159
		<b>12,601</b>	<b>868</b>	<b>(582)</b>	<b>-</b>	<b>12,887</b>

In accordance with the conditions of the fund category, Trustees have applied surplus funds to other charitable objectives in accordance with the terms of the funds received.

These funds represent:

- (1) The net book value of the Symphony Hall Organ (note 13).
- (2) Donations received from Organ appeals which will be used to maintain and refurbish the instrument.
- (3) Funding for the vocal education work of the charity with children and young people.
- (4) Funding for the purpose of completing projects within the Ladywood community.
- (5) Funding for the development of young programmers to produce a festival for young people by young people.
- (6) Funding for several Jazzlines projects, including the Jazzlines programme funded by the Arts Council England.
- (7) Funding for several smaller projects to support the education and community programme.
- (8) Funding for several ad hoc projects.
- (9) Funding for the new Steinway piano
- (10) Funding for 'Make an Entrance' - the capital project to extend the performance and hospitality space at Symphony Hall.
- (11) Funding for the refurbishment of the gift shop.
- (12) Funding for digital media displays.

19. Restricted income funds (cont.)

		Balance 1 April 2020 £000	Income £000	Amounts utilised £000	Transfers £000	Balance 31 March 2021 £000
Organ construction	(1)	303	-	(54)	-	249
Organ maintenance	(2)	147	4	-	-	151
Community Spirit (Sing for all)	(3)	21	1	(13)	-	9
Generation Ladywood projects	(4)	136	7	(1)	-	142
Project soundlounge	(5)	24	-	-	-	24
Jazzlines projects	(6)	47	103	(41)	-	109
Gift shop capital grant	(11)	31	-	(31)	-	-
Thrive project	(12)	26	-	(26)	-	-
Small education projects	(7)	8	-	(3)	-	5
Small non-education projects	(8)	57	20	(10)	-	67
Capital campaign	(10)	8,057	3,809	(21)	-	11,845
		8,857	3,944	(200)	-	12,601

20. Unrestricted income funds

		Balance 1 April 2021 £000	Income £000	Amounts utilised £000	Transfers £000	Balance 31 March 2022 £000
<b>Designated Funds</b>						
General education	(1)	2	1	-	-	3
Organ education	(2)	30	-	-	-	30
Building maintenance reserve	(3)	1,288	-	(14)	(65)	1,209
Music in Birmingham	(4)	58	-	-	-	58
Making an Entrance	(5)	45	-	-	-	45
THSH COVID-19 relief	(6)	30	15	-	-	45
Steinway funds	(7)	-	-	-	65	65
		1,453	16	(14)	-	1,455
General reserve	(8)	822	9,980	(9,971)	-	831
<b>Total Unrestricted</b>		<b>2,275</b>	<b>9,996</b>	<b>(9,985)</b>	<b>-</b>	<b>2,286</b>

**20. Unrestricted income funds (cont.)**

These funds represent:

- (1) Funds for support of educational work by the charity.
- (2) Funds for use on education work relating to the organ.
- (3) Funds ring fenced against current and future depreciation commitments relating to the maintenance and upkeep of Town Hall and Symphony Hall buildings and will be applied at the discretion of Trustees.
- (4) Point of sale donations received from customers purchasing tickets.
- (5) Funds for 'Make an Entrance' - the capital project to extend the performance and hospitality space at Symphony Hall.
- (6) Funds for supporting activity during the COVID-19 pandemic.
- (7) Funding for the Steinway piano.
- (8) The general reserve represents unrestricted funds.

		Balance 1 April 2020 £000	Income £000	Amounts utilised £000	Transfers £000	Balance 31 March 2021 £000
<b>Designated Funds</b>						
General education	(1)	-	2	-	-	2
Organ education	(2)	36	-	(6)	-	30
Building maintenance reserve	(3)	1,296	-	(8)	-	1,288
Music in Birmingham	(4)	44	14	-	-	58
Making an Entrance	(5)	44	1	-	-	45
THSH COVID-19 relief	(6)	3	37	(10)	-	30
		1,423	54	(24)	-	1,453
General reserve	(7)	245	5,567	(4,990)	-	822
<b>Total Unrestricted</b>		<b>1,668</b>	<b>5,621</b>	<b>(5,014)</b>	<b>-</b>	<b>2,275</b>

21. Analysis of total funds

	Unrestricted Funds £000	Restricted Funds £000	2022 £000
<b>Analysis of type of asset and liability</b>			
Intangible fixed assets	88	-	88
Tangible fixed assets	1,320	12,403	13,723
Current assets	7,679	484	8,163
Creditors falling due within the year	(6,155)	-	(6,155)
Creditors falling due after one year	(646)	-	(646)
	<b>2,286</b>	<b>12,887</b>	<b>15,173</b>

	Unrestricted Funds £000	Restricted Funds £000	2021 £000
<b>Analysis of type of asset and liability</b>			
Intangible fixed assets	108	-	108
Tangible fixed assets	1,526	12,054	13,580
Current assets	6,125	547	6,672
Creditors falling due within the year	(4,815)	-	(4,815)
Creditors falling due after one year	(669)	-	(669)
	<b>2,275</b>	<b>12,601</b>	<b>14,876</b>

22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £000	2021 £000
Net income for the reporting period	297	4,351
<b>Adjustments for:</b>		
Depreciation and amortisation charges	511	288
Dividends, interest and rents from investments	(13)	(18)
(Increase) in stock	(27)	-
(Increase) / decrease in debtors	(520)	317
Increase in creditors	1,345	212
Interest paid	29	9
<b>Net cash provided by operating activities</b>	<b>1,622</b>	<b>5,159</b>

### 23. Analysis of cash and cash equivalents

	31 March 2022 £000	31 March 2021 £000
Cash at bank and in hand	4,105	3,174
Cash investments	2,525	2,513
	<b>6,630</b>	<b>5,687</b>

### 24. Pension commitments

The pensions of employees of the Charity are provided by way of a defined contribution scheme. The pension cost charged to the Statement of Financial Activities during the period was £49k (2021: £55k). Unpaid pension contributions at the year end totalled £13k (2021: £10k).

### 25. Operating lease commitments

Minimum lease payments in respect of non-cancellable operating leases:

	Plant & Equipment		Land & Buildings	
	2022 £000	2021 £000	2022 £000	2021 £000
1 year	6	6	46	46
2 to 5 years	11	17	162	185
Over 5 years	-	-	1,108	1,155

BML has a 25 year lease with Birmingham City Council for Symphony Hall which commenced on 1 May 2015. Rent of £46K is payable annually. A new lease takes effect in reversion to the existing lease on 29 September 2026 under which a rent of £46k is payable annually. Under these new arrangements a lease premium of £150k was paid during the previous year. The lease premium has been capitalised and was included in "Construction work in progress" shown at note 13 to these accounts, in the current year this has been transferred to leasehold buildings.

BML has a 99 year lease with Birmingham City Council for Town Hall which commenced on 9 February 2007. A peppercorn rent is payable annually.

### 26. Security

The Arts Council England holds a fixed charge over all assets of the charity, both present and future, dated 13 August 2019.

Birmingham City Council holds a fixed charge over Symphony Hall dated 13 August 2019.

## 27. Subsidiary Company

BML owns the entire issued share capital, consisting of two ordinary shares of £1 which are nil paid, of BMEL, which performs trading activities associated with events held in Town Hall and Symphony Hall which are outside the charitable objectives, including the provision of catering services. The subsidiary donates its taxable profits to the charity by gift aid.

A summary of the results for its subsidiary and the aggregate amount of their assets, liabilities and funds as at 31 March 2022 is shown below:

	2022	2021
	£000	£000
Income	1,291	91
Expenditure	(1,180)	(273)
Other operating income	2	73
Taxation	-	20
Operating profit/(loss)	113	(89)
Retained profit brought forward	(24)	65
Gift Aid to BML	-	-
<b>Retained profit carried forward</b>	<b>89</b>	<b>(24)</b>
Assets	567	112
Liabilities	(478)	(136)
<b>Net Assets</b>	<b>89</b>	<b>(24)</b>

## 28. Capital commitments

At 31 March 2022 the Trustees had contracted for the replacement of the fire alarm system at Town Hall an amount of £82k.

## 29. The member

B:Music Ltd is a company limited by guarantee by its Memorandum and Articles of Association that were last amended on 1 September 2011. Birmingham City Council is the sole member.

The governing body of BML is the Board of Trustees. The Board consists of not less than 13 Trustees at the balance sheet date who appoint a Chairman. The Board are legally responsible for the governance and management of the charity.