

**City of Birmingham Symphony Orchestra
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2024**

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Chair's Report

This is a fantastic world class orchestra – and I was thrilled and honoured, last November, to become Chair of the Board. Not only is it firing on all cylinders artistically, but it's also winning new and younger audiences and showing how music should play a fundamental role in education. Those city fathers – and they were all men – who founded our orchestra well over a century ago would be proud of what our musicians are doing for Birmingham today.

2023 has seen a new team at the top, building on what has been achieved before. Emma Stenning, who has had a distinguished career in theatre is our new CEO. And she has been joined by the irrepressible Kazuki Yamada as Chief Conductor and now Music Director. Together, with our brilliant players and staff, they promise a bright future for our remarkable orchestra.

Look at the record of what's already been done. During the year, the CBSO performed 52 orchestral concerts and 16 chamber concerts at home in Birmingham. There were a number of visits around the country, and two thrilling, sold out performances at the BBC Proms, including a rousing Carmina Burana under Kazuki's baton, and a celebratory night of Bollywood music which was broadcast live on BBC2.

International tours took us to Japan, and the prestigious Leipzig Mahler Festival, where we were the only British orchestra invited by Festival Director, and former CBSO Music Director, Andris Nelsons. Significant European dates saw us play Germany, Switzerland, Belgium, Croatia and Slovenia. Most cities were debuts for Kazuki, and astounding reviews made it clear that the orchestra's relationship with its new Chief was something very special indeed:

"...In this impressive form the CBSO is likely to be the current number one in the United Kingdom. Rarely has such euphoric cheering for the experience been heard in the Alte Oper Frankfurt."

Online Merker, Frankfurt Alte Oper, 9 March 2024

Back home, we've set out our plans to be ever more welcoming to the full breadth of the city's diverse and youthful communities. We want everyone in Birmingham and beyond to have the chance to enjoy the richness and joy of the music we believe in. That's why we've been exploring, from time to time, new forms of concert performance and new creative collaborations, and why we've been working to make the concert hall a more openly inviting space. The orchestra wants to arrest the decade long decline in audience numbers. This is work that is vital to all of us who believe in the power of classical music. And there are signs it's working. I'm thrilled to report, at time of writing, 8% growth in ticket sales and 15.5% growth in numbers of bookers over this past year, along with the fact that 28% of our audience is now under 30.

We also want to demonstrate how important music should be to every child's education – whatever their background. We were tremendously proud to open the Shireland CBSO Academy for its first intake of 150 Year 7 students. This is a pioneering collaboration between the orchestra and the Shireland Multi Academy Trust. The school is the first of its kind; a state funded education, for a student body largely drawn from its local Sandwell community, where every pupil learns the orchestral instrument of their choice, in classes that weave in between a curriculum that is themed around music, and flexes to include masterclasses, inspiration sessions and drop in visits from CBSO players, conductors and guest musicians. Formally, we connect at governance level, with CBSO's CEO, Emma Stenning, becoming a Trustee of the Multi Academy Trust, and the Trust's CEO, Sir Mark Grundy, joining the CBSO board (in July 2024). CBSO's Creative Director – Learning & Engagement, Tom Spurgin, chairs the school's Standards and Performance Committee. Jointly, we are committed to the ongoing fundraising required to ensure the school's future growth and success. It's a miraculous place, that puts music at the heart of the school, and its surrounding community, and we look forward to discovering its impact over the long term.

Finally, whatever you do in life, you're building on the work of those who've gone before. In my case, I'd like to pay tribute to the passion, dedication and love that my predecessor as Chair had for this Orchestra – my heartfelt thanks to David Burbidge.

These have been difficult times for the Arts. The decision by the Birmingham City Council to stop funding not only the CBSO, but other wonderful cultural organisations in our city, is shortsighted. Birmingham should be one of the great cultural cities of the UK and Europe. This orchestra is an essential part of the vision of what Birmingham can and should be.

A handwritten signature in dark ink, appearing to read 'Tony Hall', with a stylized flourish underneath.

Tony Hall, Lord Hall of Birkenhead CBE

Chief Executive's Report

I am delighted to be presenting the 2023/24 Annual Report, which covers my first year in post as Chief Executive of this remarkable orchestra. The year has been a true adventure, and I remain both thrilled and privileged to work alongside such an inspirational group of players, staff and trustees.

We began in fine fashion, with the full forces of the CBSO on display for a glorious Carmina Burana, Kazuki's first concert as our newly appointed Chief Conductor. As celebratory balloons fell over the concert hall during the final applause, it was abundantly clear that our players' relationship with their new Chief was going to be something very special indeed. As the season continued, Kazuki's warmth and sense of joy permeated our musical life, and thrilled our audiences, across Birmingham, and around the world. We are privileged that he has since accepted the position of Music Director, and look forward to our continuing together over many seasons to come.

It has been a year of exceptional, exquisite, music, from our home base at Symphony Hall, to tour venues across the country and further afield. It was my tremendous pleasure to join the orchestra on visits to some of Europe's finest concert halls, and I can report rapturous, thrilled audiences on each occasion. Of particular highlight for me were February's schools' performances, where we welcomed 11,000 children to Symphony Hall during a week of packed-out performances (plus another 10,600 via streaming), our magnificent celebrations of the CBSO Chorus' 50th Anniversary, a wonderful concert with Kazuki at Hamburg's beautiful Elbphilharmonie, and Sakari Oramo's return to Birmingham and the orchestra he once led, for a spectacular evening of Sibelius and Strauss.

In September, we opened our school, the Shireland CBSO Academy, a trail blazing new partnership between the orchestra and the Shireland Multi Academy Trust. The CBSO and the Shireland CBSO Academy are connected by our governance structures, with representation across both Boards. We are so proud of our first intake of students, all of whom have taken up the opportunity of music with excitement and commitment. The school Christmas Concert was brilliantly attended by families and friends from across the Sandwell community, and was a wonderful showcase of the student's talent and potential, expertly nurtured by Principal David Green, his terrific staff team and our partners at the Sandwell Music Service. In February, we were honoured to welcome our Patron, the Duke of Edinburgh, formally to open the school. His Royal Highness warmly joined in music classes, spent time with pupils and staff and was guest of honour for the first, of what we hope will become many, performances by students with players from the CBSO.

This was also a year when we began to dig deep into the strategic challenges facing both our orchestra, and our sector. The urgent need to develop and grow our audiences, all the while shoring up the long-term financial health of the charity, is of paramount importance. Birmingham, with its defining youthfulness and diversity remains an immense opportunity (despite the city council's short-sighted decision to cut the CBSO's funding), as is the potential for cross-artform and cross-cultural collaboration as a way of encouraging new people to the concert hall for the first time. We have committed ourselves to a period of experimentation and learning, articulated in our draft Vision Statement (published 30 November), and we continue to evolve new elements of our programme, alongside our traditionally presented core classical offer. That audiences have grown during this period is hugely encouraging, and we look forward to the further adventures and new partnerships ahead.

During the year, the orchestra bade a fond farewell to Emma Bunting after nearly two years' service as Director of Finance & Resources. Emma brilliantly supported a period of significant challenge and change at the CBSO, with both the Covid pandemic and the transition of CEO, and also led the complex submission to Arts Council England that successfully secured a further three years of regular funding. Thanks are owed for her commitment and dedication.

Newly joining the Senior Team were Sally Munday, who took up Emma's position upon her departure, and Graham Sibley, known for many years as the orchestra's tuba player, who became our new Director of Orchestra Operations. Both have become vital voices in the company's leadership, and I look forward to their continued contribution.

It was with enormous fondness that we said goodbye to David Burbidge as Chair, whose warmth and care for the company had defined his tenure, matched in equal measure by the commitment of his wife, Sandra. In his place, I am delighted to welcome Lord Tony Hall, who brings a wealth of experience, an evident love of orchestral music, and a real sense of ambition for the CBSO's future.

We very much look forward to the season ahead

A handwritten signature in black ink, appearing to read 'Emma Stenning', written over a light blue horizontal line.

Emma Stenning, Chief Executive

Report of the Trustees

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Objectives and activities

Principal Activity

The principal activity of the charity is to provide a wide access to music for audiences and participants, within the West Midlands region and beyond, through its concert performances and its extensive education and choral activities.

Mission and Objects

Led by a world-class symphony orchestra, the CBSO family of instrumental and choral ensembles shares musical excellence in performance, education and participation with the widest possible audiences in Birmingham, the Midlands and internationally, enriching lives and inspiring people of all backgrounds.

The objects of the charity, as stated in its articles, are:

- To carry on, as a going concern, the undertaking of the orchestra known as the City of Birmingham Symphony Orchestra;
- To promote, maintain or improve musical education and to encourage the arts of music, mime, drama, singing and dancing;
- To undertake or assist in undertaking the organisation and management of bodies of musical performers, performances involving the playing of music, lectures in the studies of music, other educational activities connected with music and bodies of students or persons interested in music in any part of the world;
- To promote education in or the appreciation or practice of music, or the production of musical works, or the invention or improvement of musical instruments or of any means of reproducing music, by financial or other inducements or awards.

Key Activities

The strategy employed to achieve the charity's objectives is to undertake the key activities listed below:

- Promoting concerts in Birmingham as the resident orchestra at Symphony Hall, performing a wide range of music, including evening and matinee 'core' orchestral concerts, a series of lighter 'Popular Classics' concerts, and schools, family and early years concerts;
- Concert performances at other venues in the United Kingdom, including appearances at major arts festivals;
- Concert performances around the world, acting as a cultural ambassador for the City of Birmingham, the Midlands, and the UK;
- Regular broadcasting work on radio and television, digital concerts which are streamed live and on demand and the release of CDs for a variety of recording companies;
- An extensive education programme in schools and local communities, including a successful Youth Orchestra;
- Running three "unpaid professional" choruses, one each for adults, young people and children, and one un-auditioned community choir, all of which perform with both the CBSO and other musical groups;
- Management of the CBSO Centre, which is the orchestra's rehearsal and administrative home, but also functions as a medium-scale performance venue and stages a series of mainly lunchtime chamber concerts by CBSO players, as well as being let out to other arts organisations.

Strategic Report

The Trustees of the charity are pleased to approve the following Strategic Report in their capacity as company directors.

Achievements and Performance

The objectives of the charity for 2023/24 were to stabilise the new senior management team, grow sales revenue and reach new audiences. Another aim was to progress towards completing the *Sound of the Future* fundraising campaign. The charity sought to embed its commitment to Birmingham, seeking to more deeply connect the orchestra to the full breadth of the city's diverse cultural communities; there was an aim to explore new audiences by offering a more immersive or event like experience. The charity aimed to recruit and retain the best possible musicians and Chorus members whilst seeking to become a more culturally representative organisation. The charity also set the objective of delivering and planning an ambitious and exciting artistic programme for the year.

Overview

2023/24 was a year of change for the CBSO, with a new Chief Executive and new Chief Conductor starting their tenures in April. As always, wonderful concerts, magnificent choral works, schools' projects, youth ensembles and international touring packed the schedule.

With new leadership came a new sense of vision and purpose, and a promise to explore the potential of the orchestra to find ways more meaningfully to connect with all of Birmingham, a gloriously youthful and culturally diverse city.

A draft Vision Statement outlining these plans was published in November, as the orchestra committed to an 18-month period of exploration that would involve some experimental performances, cross cultural and cross art form collaborations, and moves to make the concert hall seem more welcoming to newcomers. This innovation purposefully sat as part of a concert programme that also included and celebrated many symphonic masterpieces, played in beloved traditional formats, thus demonstrating the full breadth of what a contemporary orchestra can be.

Key milestones during the year included:

- The publication of a new draft Vision Statement setting the tone for a new creative chapter for the orchestra, and its ongoing consultation with players, staff, audiences, and communities across Birmingham;
- 8% growth in sales and 15% growth in new bookers;
- Stand out performances from Sheku Kanneh-Mason, Rey Chen, the Orchestra Qawwali Project, Anna Lapwood, Jess Gillam and Benjamin Grosvenor;
- A brilliant celebration of the CBSO Chorus at 50, and 40 years of Simon Halsey's extraordinary leadership;
- Our first evening of music from the video game franchise Final Fantasy, that brought an entirely new audience to Symphony Hall;
- Two sold out appearances at the BBC Proms, with Kazuki conducting Carmina Burana featuring the full chorus, and Associate Conductor Michael Seal leading an evening of Bollywood music that was televised on BBC 2;
- Significant tours to Japan and across Europe that cemented Kazuki's reputation, and created a terrific international buzz for the promise of his relationship with the orchestra;
- The opening of our school, the Shireland CBSO Academy;
- The arrival of a new Chief Executive, with Emma Stenning having taken over from Stephen Maddock in May 2023;
- The arrival of Kazuki Yamada as the Chief Conductor and Artistic Advisor from April 2023;
- The appointment and arrival of Lord Tony Hall as Chair from November 2023;

- The appointment and arrival of Sally Munday as Director of Finance & Resources and Graham Sibley as Director of Orchestra Operations.

Orchestra Activities

Birmingham Concerts and promotions revenue increased by nearly 17% in the year, up from £1.4m to £1.6m, and other UK concerts revenue also increased by 10% in the year (up from £0.34m to £0.38m).

Birmingham Concerts

During the year, the Orchestra and its associated ensembles gave over 93 live performances for audiences in Birmingham, in its orchestral home of Symphony Hall, at CBSO Centre, and elsewhere in and around the city and the world. Highlights included:

- Twenty-six concerts with Kazuki Yamada, who became the CBSO's Chief Conductor and Artistic Advisor on 27 April 2023, and then Music Director on 1 May 2024;
- Mirga Gražinytė-Tyla (Associate Artist) appeared with the orchestra in Birmingham in a very special concert featuring a range of Eastern European composers and included her sister Onute as piano soloist;
- Performances with a range of high-profile returning conductors and soloists including Sakari Oramo, Ilan Volkov and Sheku Kanneh-Mason, and the debuts of exciting talent such as Maxim Emelyanychev, Seong-Jin Cho, and the Orchestral Qawwali Project;
- The further diversification of its Birmingham offering including the continuation of the Symphonic Sessions at Hockley Social Club, the CBSO's second full video games performance featuring the music of Final Fantasy, and concerts celebrating Rat Pack and Burt Bacharach;
- A special concert celebrating Simon Halsey's 40 years leading the CBSO Chorus featuring Jonathan Dove's *There Was a Child*;
- The premiere performances of CBSO Commissions: *The Butterfly Effect* by Dani Howard, *True Self* by Bobbie-Jane Gardner, and *Wavering World* by Dai Fujikura;
- The Orchestra continued to increase the amount of music composed by women and composers of colour in its repertoire with over 25 works played throughout this period. Composers included Anna Thorvaldsdottir, Debbie Wiseman, Caroline Shaw, Wynton Marsalis, Florence Price, Augusta Holmes, Samuel Coleridge Taylor, Aileen Sweeney, Clara Schumann, Judith Weir, Carlos Simon, Anna Clyne, and more;
- The Orchestra's performance at its annual concerts for children, giving seven Schools Concerts and two Family Concerts.

Other UK Concerts

Highlights of the Orchestra's performances across the UK included:

- Two performances in Nottingham;
- A performance in Cardiff;
- A performance in Sheffield;
- A performance in Wolverhampton;
- A performance at Sage Gateshead;
- A performance at Aldeburgh;
- Two concerts at the BBC Proms: one with Kazuki Yamada and the other Bollywood Prom with Michael Seal that was broadcast on television too;
- A traditional New Year's Viennese programme at Malvern Theatre;
- A performance at the Barbican Centre for Classical Pride.

Overseas Touring

The CBSO enjoyed a highly successful tour of Japan with Kazuki Yamada, and an appearance in the Leipzig Mahler Festival of Mahler's 10th symphony with Robert Trevino. The timing of concerts in terms of overseas touring activity has meant that revenue from this fell in the year by 40% or £0.8m (from £2.0m to £1.2m).

Digital Activities including Broadcasting and Recording

The CBSO's recording activities included:

- Six concerts recorded for broadcast on BBC Radio 3;
- A BBC Prom concert with Kazuki Yamada which was broadcast live on BBC4;
- A BBC Prom concert with Michael Seal which was broadcast live on BBC TV and BBC4;
- The CBSO continuing its recording project with Chandos and Ed Gardner of the music of Schubert in the Birmingham Town Hall;
- The recording and streaming of its Relaxed Concerts.

The CBSO's Choruses

The CBSO's family of Choruses have worked hard over the 2023/24 financial year to produce a huge range of concerts and activities. The CBSO Chorus, Children's Chorus, and Youth Chorus helped launch the 2023/24 season on Thu 27 April 2023 with Kazuki Yamada performing Orff's *Carmina Burana*. Members of the CBSO Chorus also joined the Orchestre Philharmonique de Monte Carlo in June 2023 to perform the work in Monte Carlo. The CBSO Chorus, Children's Chorus, and Youth Chorus then repeated their epic April programme at the BBC Proms in September 2023.

CBSO SO Vocal, the orchestra's community choir, enjoyed a range of performances and workshops across the year, including sessions with internationally renowned baritone Davone Tines in July 2023, and the Halle Ancoats Choir in January 2024.

The 2023/24 season opened in September 2023 with CBSO Chorus joining Kazuki and the orchestra once again, this time to perform Verdi's *Requiem*.

The 2023/24 season marked two important anniversaries at the CBSO: Simon Halsey's 40th anniversary as Choral Director, and the CBSO's 50th anniversary since its first concert. The CBSO celebrated Simon Halsey's 40th anniversary on 30 November 2023 with a concert featuring the CBSO Chorus, Children's Chorus, and Youth Chorus.

Learning & Engagement Activities

Across the 2023/24 Financial Year, the CBSO had over 43,000 interactions with its Learning & Engagement programme, both live and digitally.

September 2023 saw the opening of Shireland CBSO Academy, the UK's first state-secondary school opened in partnership with a professional orchestra. Working collaboratively with the Shireland Collegiate Academy Trust and SIPS, Sandwell's Music Education Hub, the CBSO provides a range of world-class music performance and learning opportunities at the school, including masterclasses and performances from CBSO musicians and its visiting artists. With 150 students at the school, each receiving free vocal or instrumental tuition, the CBSO hopes to radically increase the number of students studying music to GCSE level or equivalent as students progress through the years. As the school continues to grow, the CBSO hopes to have 870 students by 2028 when the school is full.

The CBSO's Youth Orchestra met in July 2023 and February 2024, each time led by Michael Seal in rehearsals. Michael Seal conducted the July 2023 concert, and the February 2024 concert was conducted

by Jac van Steen and directed by theatre director Tom Morris, who worked closely with the orchestra during the year.

The CBSO welcomed another cohort of exceptional early-career musicians from under-represented backgrounds in its Career Accelerator programme, devised in partnership with Black Lives in Music, and continued to offer a range of talent development programmes in partnership with the Royal Birmingham Conservatoire and University of Birmingham.

The CBSO's annual schools' concerts in February and March 2024 saw a record number of young people interacting with the CBSO: 11,000 children saw the orchestra live in its KS1, KS2, and KS3 concerts, with a further 700 joining at the CBSO Centre for its Relaxed Concerts, specifically designed for young people with Special Educational Needs. A further 10,600 young people from across the UK then watched the online stream of the Relaxed Concert.

Alongside a range of the CBSO's long-standing programmes, including Notelets concerts for 0-5 year olds, and Cuppa Concerts for those living with Dementia, the CBSO began a three-year programme with local schools entitled 'Climate Funk!'. The programme is supported by the JABBS Foundation and brings together science and music to create new pieces based around the climate.

As ever, the staff, musicians, and trustees at the orchestra are grateful to the many supporters that help it continue to deliver the work across its Learning & Engagement programme.

Volunteers

The charity relies on a significant number of volunteers who, as well as performing in its world class choruses, also support the administrative staff with marketing, research and other duties.

All of the CBSO's trustees act in a voluntary capacity. As well as fulfilling their Board duties they help with the fundraising activities of the charity and offer support to the senior management team, staff, and players.

Financial Review

The results for the year to 31 March 2024 and the preceding financial year are set out in the Statement of Financial Activities on page 26.

In summary, income was £10.0m (slightly less from grants, but more was generated from endowment income; more revenue was generated from Birmingham and UK concert activity and promotions, but less from overseas touring; a little less was raised from donations, but assets received as a gift mean that overall this was up from prior year). Expenditure was £11.5m (more was spent on raising funds, but less on overseas engagements), so this was slightly lower than the prior year). This would have reported a loss of £1.4m, but Orchestra Tax Relief, together with actuarial gains mean a net favourable movement in funds of £1.5m.

The net financial result for the year was a surplus of £1.5m of which £0.4m related to actuarial movement on the Defined Benefit Pension Scheme (2023: £2.4m of which £2.2m related to actuarial movement).

Total income for the year was £10.0m (2023: £9.3m). The principal funding sources of the charity in the year were:

- Revenue grant income from Arts Council England of £2.2m and £0.6m from Birmingham City Council, both of which showed level funding compared with the previous year;
- Earned income of £3.6m (2023: £4.0m), including income generated from ticket sales for Symphony Hall concerts and fees from orchestral touring in the UK and overseas;
- £3.1m of sponsorship and donations received from trusts, individuals, and corporate supporters (2023: £2.5m), including gifted musical instrument assets.

A full analysis of expenditure on charitable activities is given in Note 6. Total expenditure for the year was £11.5m (2023: £11.8m).

The charity continues to rely on the long-term benefit of Orchestra Tax Relief (OTR), which alongside the valuable support of its donors and sponsors helps to sustain the standard and breadth of the CBSO's work. OTR is the government initiative for instrumental groups where the recipient organisation receives a payment from HMRC equal to a percentage of its production costs, despite being called 'Orchestra Tax Relief'. As the charity puts on eligible performances, it submits a claim to HMRC each year for the payment towards costs.

There was a small reduction in the Defined Benefit Pension Scheme liability to £4.8m (2023: £5.2m). The main positive impact on this balance sheet movement since last year is the change in market conditions over the year – bond yields have increased over the period, resulting in a higher discount rate and a lower liability value, together with contributions paid to the Scheme by the Company, net of expenses paid out. Furthermore, the investment return achieved on the Scheme's assets over the period was higher than the discount rate used last year. This was partly offset by inflation experienced, and future expected inflation increases, which has increased the value placed on the liabilities.

With a deficit recovery plan that runs to April 2034 the ongoing funding of this Scheme will continue to be a significant financial cost for the charity for many years to come.

Plans for Future Periods

As part of its ongoing sustainability planning, and to support and inform its fundraising activities and public funding grant applications, the CBSO Board maintains a robust strategic business planning cycle. It previously submitted plans for 2023-2026 with Arts Council England (ACE) as part of its agreed National Portfolio funding for that period. These plans are strongly informed by ACE's strategy *Let's Create*, with a focus on community activities, co-creation and interaction with audiences, and the then government's priorities around levelling up for culture. Within this context, the new CEO has embarked on a period of strategic review, which has resulted in a draft Vision Statement for the Orchestra which will now evolve towards a new business plan 2025–2029.

The Vision, as stated, is to create music that brings connection, inspiration and joy to the people of Birmingham, the West Midlands and beyond.

Five resolutions within this Vision are:

- 1 To share exceptional music and incredible experiences, living up to and building the regional, national, and international reputation of the CBSO.
- 2 To welcome audiences, artists, and staff from every community in Birmingham and beyond to everything we do.
- 3 To collaborate and share creative opportunities across the many communities in the diverse City of Birmingham, with the aim of driving real social change and expanding the talent pipeline into the creative industries.
- 4 To celebrate the presence, personality and individuality of the CBSO players, choirs, youth ensembles, conductors, staff, participants, and audiences.
- 5 To be united and inspired by the belief that a 21st century symphony orchestra is a uniquely powerful and eloquent vehicle with which to achieve these things.

Crucial to the achievement of the Vision will be:

- Successful continued advocacy work with its public funders and other government agencies to secure the best deal for the finances of arts organisations in the future. The permanent achievement of the higher rate of Creative Tax Relief is already a notable success.
- Continued partnership with Black Lives in Music, and partner orchestras, for Recruiting Classical, a programme specifically designed to create a more inclusive and representative player body;
- Continued growth of its school, the CBSO Shireland Academy, and the national promotion of its impact so that other organisations may be encouraged towards similar initiatives;
- Improving its financial position by successfully concluding the Sound of the Future fundraising campaign, re-establishing and then growing other annual income streams to help build its General Reserve levels;
- Recruiting and retaining the best possible musicians and Chorus members whilst seeking to become a more culturally representative organisation;

Alongside this the CBSO will continue to deliver and plan an ambitious and exciting artistic programme, the highlights of which will include:

- Performing a wide-ranging programme of concerts led by Music Director Kazuki Yamada and guest conductors, designed to appeal to the broadest possible audiences in the West Midlands and further afield;
- The premiere performances of commissions by Anna Clyne (May 2024), John Luther Adams (June 2024) and planning future commissions including by Sounds New composer Heloise Werner;
- Tours to the most prestigious venues and festivals worldwide, including further tours to Europe and Asia with Kazuki Yamada;
- A collaboration with Birmingham Opera for a new production of Tippets New Year in summer 2024, conducted by Alpesh Chauhan;
- Visits to all the major UK festivals including BBC Proms, Aldeburgh, and Edinburgh;
- Further recordings for Chandos, film soundtracks and other labels;
- Chorus engagements with choirs, orchestras and festivals in London, Monte Carlo, and Berlin;
- Collaborations with Birmingham partners including University of Birmingham, Royal Birmingham Conservatoire, Birmingham Contemporary Music Group, Hockley Social Club, B:Music, Ex Cathedra and others.

Fundraising Practices

The CBSO has a professional and established Development Directorate, which strives to raise income to support all aspects of the CBSO's work. The team raises funds from the following income sources:

- Corporates;
- Trusts and Foundations;
- Individuals.

During last year fundraising income received was just over £2.2m, meaning that the *Sound of the Future* Campaign has now over £10.3m in received gifts and a further £1.9m expected in gifts and pledges in the next year. This means the CBSO are less than £0.3m short of its target of £12.5m. Some of the transformational gifts made to the Campaign in the last 12 months include:

- An anonymous gift of £100,000 put forward as a matched funding incentive, which drew in an additional £100,000 in match funded gifts to the *Sound of the Future* Campaign;
- A Schools Appeal which drew in £20,000 of matched funds and drew in an additional £21,800 in matched gifts;
- A transformational gift to enable the CBSO to commission new work for its choruses that reflects the diversity of its Children's and Youth Chorus in particular;

- A three-year commitment from the JABBS Foundation to support a Climate project in schools culminating in a performance in Symphony Hall in 2026;
- Two new corporate supporters in Sofa's and Stuff and DLA Piper;
- £1.3m raised from individuals, including memberships to support some of the following projects:
 - Youth Orchestra;
 - The CBSO's Artistic programming through Keynote Concerts and the artistic vision;
 - Project Remix;
 - Leaders Violin Appeal;
 - Fitness to work;
 - Shireland CBSO Academy.

None of this would have been possible without the CBSO individual donors, trusts and foundations and corporates who have so generously supported the CBSO – the CBSO therefore extends its gratitude.

This year a particular thank you needs to go to the CBSO Development Trust who have supported the CBSO with funds totalling £474k. This was the first grant given since Covid, due to the level of government support through the pandemic and was higher than its previous annual grants. In addition, the CBSO Development Trust gave a further generous gift of £100,000 to support the CBSO's new Vision – again, the CBSO extends its gratitude for this.

To ensure that donors are at heart of its fundraising the CBSO voluntarily subscribes to the Fundraising Regulator and continues to adhere to the Regulator's Code of Fundraising Practice. The CBSO's Gift Acceptance policy is reviewed annually by the Audit & Risk Committee. This policy, which is based on Charity Commission guidelines, sets out the procedure for accepting gifts from donors and the reporting and use of such donations.

The CBSO is pleased to report that in the 2023/24 financial year there were no complaints to the charity about its fundraising work.

Much of the orchestra's revenue comes from ticket buyers and donors whose relationships with the CBSO have developed over several decades. The CBSO takes particular care to maintain these relationships by avoiding being unreasonably persistent or placing undue pressure on potential donors to give money. The CBSO:

- Places 'respect' at the heart of its Fundraising Strategy which is reviewed annually and shared with CBSO Senior Management Team and the Board of Trustees and informs the day-to-day work of the team;
- Ensures procedures and systems are in place to avoid making persistent direct marketing or face-to-face requests of the same individual for support;
- Excludes individuals who have asked not to receive fundraising information from relevant communications – whether directly or via the Fundraising Preference Service;
- Ensures a high proportion of the money required is in place before each financial year begins – either through donations received or through expected renewals from regular supporters, ensuring that communications with potential donors can take place without pressure to secure an immediate gift.

Direct fundraising expenditure was incurred totalling £124k in 2023/24 (£75k in 2022/23) but with support costs, this was £666k in 2023/24 (£411k in 2022/23).

Risk Management

The trustees are aware of the need to assess the risks faced by the charity and respond in such a way as to manage those risks appropriately. A Risk Register is maintained in which risks are scored for probability and impact, and appropriate risk management strategies are established. Individual senior managers and the Audit & Risk Committee are responsible for monitoring the register, which is formally reviewed by the charity's Board on a regular basis.

The trustees consider that the major risks facing the charity and as documented on the Register as at the year-end are:

- Further cuts in public funding, and a failure to achieve or maintain financial stability, together with cashflow difficulties caused by tax credit delays;
- Negative critical and editorial coverage, and social media content;
- Failure to fulfil commitments to the Shireland CBSO Academy;
- Environmental impact and failure to achieve a sustainable programme;
- Loss of IT network or data including digital & online fraud;
- Significant increase in the deficit of the CBSO Defined Benefit Pension Scheme.

These and all other major risks are constantly reviewed, and appropriate corrective action is taken by members of the Senior Management Team. For example, financial KPIs are monitored on a regular basis and include regular management accounts which are reviewed against budget, cashflow forecasts, monitoring of the reserves position, and reporting of ticket sales and ticket capacity. Negative media is mitigated by maintaining excellent, proactive relationships (through appointed agencies) with journalists and key stakeholders. There is open dialogue with Shireland CBSO Academy including long-term planning for financial commitments. The CBSO is continually seeking creative, process, and systemic change opportunities to support a more sustainable programme. Recent migration to cloud back-up of services and regular cyber awareness training is in place. There are regular liaison meetings with the Board of the CBSO Defined Benefit Pension Scheme to consider its position.

In addition to the above, the CBSO has a strong system of internal control and comprehensive management reporting processes which includes:

- A robust strategic planning and annual budgeting system, which is approved and reviewed by the trustees;
- Regular reviews by the trustees of financial reports which monitor financial performance against approved budget/forecast and prior period;
- Consideration of all financial issues by the Audit & Risk Committee and subsequent feedback to the trustees;
- A completion of an annual review of Internal Financial Controls identifying compliance issues and proactively responding;
- Formal limits on staff members' ability to authorise expenditure;
- Segregation of duties amongst members of staff in so far as it is possible.

Reserves

In accordance with best practice and Charity Commission guidance, the charity maintains free reserves in order to provide for contingencies that may arise in the future. For the purposes of this policy the trustees define free reserves to be the general unrestricted reserve.

The charity's overall reserves policy is unchanged and sets a target range for free reserves of between three to six months' core costs. This target has been set at a level which in the trustees' opinion would allow them to withstand any fluctuations in trading conditions or, in extreme circumstances, manage an orderly wind down of the orchestra's activities. On this basis the target range for free reserves is between £1.6m and £3.2m.

The level of free reserves increased during the year to £4.6m (2023: £3.4m); the targeted reserves have therefore been exceeded. This is the level of general unrestricted reserves before deducting the pension scheme liability.

The recognition of the Defined Benefit Scheme pension liability under FRS102 continues to have a significant effect on the reported unrestricted reserves of the charity. This liability is updated annually to

reflect market conditions and other actuarial assumptions and this year showed a modest decrease to £4.8m (2023: £5.2m). Although this is a significant figure it does not mean that an immediate liability for this amount becomes payable, nor that there will be any short-term cashflow impact for the charity. The level of annual contributions required to support the Scheme is determined by a triennial actuarial valuation. The charity and Pension Scheme commissioned an April 2024 valuation, and the previously agreed recovery period end date of December 2034 may be maintained without any significant increase in the level of annual deficit contributions required from the CBSO.

The level of free reserves after deducting the pension scheme liability moved to a net position of (£0.2m) from (£1.8m).

Investment Policy

The charity's stated objective is that the real value of the assets and the income derived from them be maintained and enhanced over the long term by investment in cash and other suitable investments in line with its future business plans and the annual budget that is approved by the Trustee Board.

The charity's investments have been held in short term cash deposits with a major UK bank. The allocation of surplus cash and the overall charity investment policy is reviewed by the Audit & Risk Committee on an annual basis.

In the context of guidance issued by the Charity Commission and following the appropriate assessments the CBSO trustees have instructed that the charity's investments should be managed on a medium-low risk basis.

The trustees are happy that the performance of investments is acceptable and in line with expected returns on these investments.

Public Funding and Going Concern

The charity is supported by grant funding bodies. Revenue grant income from this source amounted to £2.8m representing 28% (2023: £2.8m, representing 30%) of the charity's total income.

Annual revenue grants from Arts Council England are secured up to 31 March 2026, at £2.2m.

Orchestra Tax Relief continues to be of significant benefit to the CBSO, with the increased rate of 50% secured up 31 March 2025, and 45% thereafter.

Birmingham City Council (BCC) had agreed its overall arts budget up to 31 March 2026 and CBSO's share of this arts budget was continued at a level of £0.6m for 2023/24. However, following the section 114 notice and subsequent announcements of cuts to arts funding by BCC, CBSO have received confirmation that the grant will be reduced by 50% into 2024/25 (£0.3m) and then to £nil by 2025/26.

The Trustees have assessed the going concern position of the charity for the period to 31 March 2026.

Apart from its public funding, the CBSO has a broad range of other income sources, and it is not critically dependent on any other single organisation for funding. A number of sponsorship and other funding agreements are in place which run for more than two years after the balance sheet date. In addition to performances at Symphony Hall and Town Hall in Birmingham, there is a significant number of engagements planned into 2024/25 and beyond.

The availability of potentially advanced payment profiling of ACE grant, and the offer from the CBSO Development Trust to advance endowment funding of the year ensure the cashflow for the charity remains acceptable. Despite the challenging climate, as the charity has an improved level of general reserves, an acceptable cash balance (subject to the above), the benefit of Orchestra Tax Relief as well as other

returning sources of income and the continued support of its major funders and the CBSO Development Trust, the trustees consider the going concern basis to still be appropriate for the preparation of these financial statements.

Equality, Diversity & Inclusion (EDI)

Over the last year, the CBSO have been working to embed EDI further into its programme, its culture, and its forward plans. The CBSO's EDI Plan has been reviewed by the Senior Management Team and will be refreshed during the 2024/25 year and will align with its commitments as part of its 2023-2026 Arts Council England National Portfolio application.

As reported before, one of the CBSO key priorities is increased diversity and participation in musical activities across Birmingham and the West Midlands, ensuring that everyone in the region has the opportunity to experience the work of the CBSO, regardless of age, background or financial means. The charity's activities in this regard are also informed by the priorities of its key public funder – ie the Arts Council England. With this in mind, a *Community Board* was convened during the year including representation from across Birmingham.

Public Benefit

In considering the strategies and policies of the charity the trustees have had due regard to the public benefit guidance published by the Charity Commission, in accordance with the Charities Act 2011.

The charity continues to champion education, learning and audience/ community engagement as key priorities and to set out appropriate strategies and activities to enable it to deliver against its objectives in this area.

Reference and Administration details

Charity Registration number: 506276
Company Registration number: 01262018
Registered Office: CBSO Centre, Berkley Street, Birmingham, B1 2LF

Advisers

Auditors	RSM UK Audit LLP	103 Colmore Row, Birmingham, B3 3AG
Bankers	HSBC Bank plc	130, New Street, Birmingham, B2 4JU
Solicitors	Shakespeare Martineau	No. 1 Colmore Square, Birmingham, B4 6AA
Insurance Brokers	Marsh Limited	6 th floor, 4 Brindleyplace, Birmingham, B1 2JQ

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end are as follows:

Trustees

Gurpreet Bhatia	(Deputy Chair)
Timothy Birchall *	(resigned 15 May 2023)
David Burbidge CBE, DL #	(Chair) (resigned 20 November 2023)
Cllr Liz Clements	
Helen Edgar * ~	
Jane Fielding #	(Deputy Chair)
Sir Mark Grundy	(appointed 22 July 2024)
Lord Tony Hall #	(Chair) (appointed 20 November 2023)
Andrew Herbert ~	(appointed 15 May 2023)
Emily Ingram	
Sundash Jassi *	
Chris Loughran DL #	
Julia Parke-Robinson	
David Roper #	(Deputy Chair) (resigned 8 November 2023)
Cllr Darius Sandhu	
Catherine Wall *	

Member of:

* Audit & Risk Committee, # Nominations & Remuneration Committee, ~ Orchestra Member

Senior Management Team

Emma Bunting	Director of Finance & Resources (resigned 30 June 2023)
Stephen Maddock OBE	Chief Executive (resigned 27 April 2023)
Sally Munday	Director of Finance & Resources (appointed 11 September 2023)
Graham Sibley	Director of Orchestra Operations (appointed 31 August 2023)
Beki Smith	Director of Audiences
Tom Spurgin	Creative Director – Learning & Engagement
Emma Stenning	Chief Executive (appointed 3 April 2023)
Claire Tilt	Director of Development
Malcolm Wilson	Interim Director of Concerts (resigned 27 October 2023)

Senior Music Officers

Simon Halsey CBE	Chorus Director
Kazuki Yamada	Music Director (1 May 2024)
	Chief Conductor and Artistic Advisor (27 April 2023 to 30 April 2024)

Structure, Management and Governance

Governing Document

City of Birmingham Symphony Orchestra (CBSO) is a company limited by guarantee governed by its Articles of Association dated 23 July 2015. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member, and there are currently 1,195 members, of which 571 are voting members, each of whom agrees to contribute a sum not exceeding £1 in the event of the charity being wound up.

Organisation

The Board of Trustees administers the charity. The Board meets around six times a year to review strategy and corporate governance and to approve and monitor performance against annual budgets and plans. A recent review of its governance practices concluded that the CBSO's governance arrangements are broadly well designed and represent good practice. There are no significant weaknesses or diversions from The Code.

There are two formally constituted Board committees each of which includes a minimum of three suitably qualified trustees. The Audit & Risk Committee assists the Board by making recommendations in the areas of risk assessment/ management, audit & internal control, budgets and longer-term plans and by reviewing performance against the objectives set out in the approved budget and operational plans. The Nominations & Remuneration Committee advises the Board on the operation and effective discharge of its corporate governance responsibilities and oversees the performance and appointment of all elected trustees.

Additionally, an Artistic Forum, which has a wide membership including trustees and representatives of all areas of the charity's artistic activities, met throughout the year to consider artistic plans and ensure that the charity's mission is being maintained at the highest possible level.

A Chief Executive is appointed by the trustees and together with the other members of the senior management team manages the day-to-day operations of the charity.

Appointment of Trustees

Most trustees are appointed by the Board, with reference to a skills audit, and on the recommendation of the Nominations & Remuneration Committee. All trustees nominated through this process are subject to ratification by members at the Annual General Meeting. In the recruitment of new trustees, the charity seeks to promote an appropriate balance of age, gender and ethnicity so that the overall profile of the Board becomes more representative of the communities that it serves.

There are four additional trustees, two of whom are nominated by Birmingham City Council and two by the players. Trustees nominated in this way are not subject to members' ratification.

Trustee Induction and Training

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Articles of Association, the committee structure and decision-making processes, and the mission, budget and financial performance of the charity. During the induction process they meet key employees and other trustees.

Throughout their term trustees are provided with regular updates on their duties as a trustee and general charity governance. They are also encouraged to:

- broaden their understanding of the charity's activities by spending time with key staff, attending concerts/other events and participating in project and other working groups;
- attend appropriate external training which will assist them in carrying out their duties

Trustee Liability Insurance

The charity holds Trustee Liability insurance on behalf of its Directors and Officers at a cost of £13,185 (2023: £11,200).

Pay policy for senior staff

The board of trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the CBSO on a day-to-day basis. All trustees give up their time freely and no trustee received remuneration in relation to their role as a trustee, nor claimed any expenses in the year (2023: nil). Details of any trustee-related party transactions are disclosed in note 18 to the accounts.

The pay of the senior management team is reviewed annually and normally increased in accordance with the annual pay award made to all of the charity's other administrative staff in April of each year. Benchmarking of salaries is carried out as required and adjustments made where necessary to ensure parity with similar roles in the orchestral sector and/or comparable local organisations or charities.

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of City of Birmingham Symphony Orchestra) are responsible for preparing the Trustees' 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 of the incoming resources and application of resources, including the income and expenditure of the charitable company 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
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 proper 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditors

A resolution will be proposed at the Annual General Meeting in relation to the appointment of auditors to the charity for the ensuing year.

Acknowledgements

The Board of the CBSO would like to express its deep appreciation to the large number of people and organisations that support the activities of the charity. Primary amongst these are:

- CBSO's major donors, benefactors, legators, circle supporters, patrons and friends;
- The charity's corporate members and supporters;
- Trusts and Foundations which generously support all aspects of its work;
- Members and supporters of the CBSO Development Trust.

The Board is grateful for the vital ongoing and exceptional support of the charity's public funders, Arts Council England and, for the 2023/24 year, Birmingham City Council.

The Board is appreciative of the deep commitment of the orchestral musicians, administrative staff and volunteers who help to maintain its standing as a world-class orchestra.

This report, incorporating the Strategic Report, was approved by the trustees on 28 November 2024.



By order of the trustees
Lord Tony Hall
(Chair)

Independent Auditor's Report

Opinion

We have audited the financial statements of City of Birmingham Symphony Orchestra (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 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.

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 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 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 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.

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 Report of the Trustees, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Report of the Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Report of the Trustees.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulation (GDPR) and employment law, including the Employment Rights Act 1996 and Employment Relations Act 1999. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Spencer-Gray

Anna Spencer-Gray (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG

Date 03/12/24

City of Birmingham Symphony Orchestra
STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
For the year ended 31 March 2024

Statement of Financial Activities
(including income and expenditure account)

	Notes	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total funds 2024 £'000	Total funds 2023 £'000
INCOME FROM:					
Voluntary income					
- Donations & Legacies	2	2,462	656	3,118	2,482
- Grant Income	3	2,829	-	2,829	2,839
Charitable Activities	4	3,404	152	3,556	4,009
Investments	5	581	-	581	2
TOTAL		9,276	808	10,084	9,332
EXPENDITURE ON:					
Raising Funds	6	666	-	666	411
Charitable Activities	6	9,854	808	10,662	11,356
TOTAL		10,520	808	11,328	11,767
NET EXPENDITURE FOR THE YEAR BEFORE TAX	8	(1,244)	-	(1,244)	(2,435)
Tax receivable	10	2,423	-	2,423	2,614
Transfers between funds	15 & 16	198	(198)	-	-
Other recognised gains/ (losses):					
Actuarial gain on defined benefit pension scheme	14	281	-	281	2,189
NET MOVEMENT IN FUNDS		1,658	(198)	1,460	2,368
RECONCILIATION OF FUNDS					
Fund balances brought forward		(1,832)	3,003	1,171	(1,197)
FUND BALANCES CARRIED FORWARD		(174)	2,805	2,631	1,171

All income and expenditure and the resulting net movement in funds arise from continuing operations.
There are no recognised gains or losses other than the net movement in funds for the year.

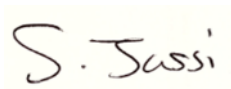
Balance Sheet

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
FIXED ASSETS					
Tangible assets	11		3,809		3,204
CURRENT ASSETS					
Stock and Work in Progress		1		1	
Debtors	12	5,920		5,316	
Cash at bank and in hand		265		454	
		<u>6,186</u>		<u>5,771</u>	
CREDITORS: Amounts falling due within one year	13	<u>(2,569)</u>		<u>(2,602)</u>	
NET CURRENT ASSETS			<u>3,617</u>		<u>3,169</u>
NET ASSETS (excluding Pension Liability)			7,426		6,373
DEFINED BENEFIT PENSION SCHEME LIABILITY	14		(4,795)		(5,202)
TOTAL NET ASSETS			<u><u>2,631</u></u>		<u><u>1,171</u></u>
THE FUNDS OF THE CHARITY					
RESTRICTED FUNDS	15		2,805		3,003
UNRESTRICTED FUNDS:					
General reserve	16	4,621		3,370	
Pension reserve	16	<u>(4,795)</u>		<u>(5,202)</u>	
			(174)		(1,832)
TOTAL FUNDS			<u><u>2,631</u></u>		<u><u>1,171</u></u>

The financial statements on pages 26 to 42 were approved by the board of directors and authorised for issue on 28 November 2024 and are signed on its behalf by:



Lord Tony Hall
Chair



Sundash Jassi
Trustee

City of Birmingham Symphony Orchestra
STATEMENT OF CASHFLOWS
For the year ended 31 March 2024

Statement of Cashflows

	2024 £'000	2023 £'000
Cash flows from operating activities:		
Cash used in operating activities	(742)	(3,035)
Cash flows from investing activities:		
Interest and endowments receivable	581	2
Purchase of property, plant and equipment	(28)	(51)
Net cash provided by/ (used in) investing activities	553	(49)
Change in cash and cash equivalents in the year	(189)	(3,084)
Cash and cash equivalents at the beginning of the year	454	3,538
Cash and cash equivalents at the end of the year	265	454
Reconciliation of net expenditure to net cash flow from operating activities		
Net expenditure for the year	(1,244)	(2,435)
Tax receivable	2,423	2,614
Interest and endowments receivable	(581)	(2)
Loss on disposal of property, plant and equipment	21	2
Depreciation charges	284	264
Gifted instrument assets	(882)	-
Defined Benefit Pension Scheme	(126)	(119)
Decrease in stock and work in progress	-	(1)
Increase in debtors	(604)	(3,001)
Decrease in creditors	(33)	(357)
Net cash used in operating activities	(742)	(3,035)
Analysis of cash and cash equivalents		
Total cash and cash equivalents	265	454

Accounting Policies

1 ACCOUNTING POLICIES

GENERAL INFORMATION

City of Birmingham Symphony Orchestra is a charitable company incorporated in England which does not have share capital. The charity is governed by its Articles of Association.
The address of the charity's registered office is CBSO Centre, Berkley Street Birmingham, B1 2LF.

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The Trustees have assessed the going concern position of the charity for the period to 31 March 2026. The Trustees acknowledge the unprecedented level of uncertainty caused by Birmingham City Council's section 114 notice; such changing circumstances mean that the judgements and estimates required by management are more challenging than under normal circumstances. As set out in the going concern section of the Strategic Report, included within the Report of the Trustees, on page 16, there has been a positive financial result for the year leading to an increased level of free reserves. The availability of advanced payment profiling of ACE grant, and the offer from the CBSO Development Trust to advance endowment funding of the year ensure the cashflow for the charity remains acceptable. The ongoing support offered by Arts Council England, the benefit of Orchestra Tax Relief as well as other sources of income and the continued support of its major funders and the CBSO Development Trust, mean that the going concern basis remains appropriate for the preparation of these financial statements.

City of Birmingham Symphony Orchestra meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below.

BASES AND DEFINITION OF INCOME AND EXPENDITURE

Income

- Income is stated net of value added tax and represents amounts invoiced to third parties and amounts receivable from members and donors
- Income relating to concert performances is recognised when the concert has been performed
- Income received in respect of future periods is deferred until such time as the charity has entitlement
- Donations and legacies are recognised when the charity is entitled to the funds, when receipt is probable, and the monetary value can be measured reliably. Where the donor imposed or implicit conditions in relation to the timing of expenditure are attached to an income stream, the income is deferred and released over the specified time period
- Gift aid donations are inclusive of recoverable income tax
- Grants of a revenue nature are recognised in the period to which they relate
- Grants of a capital nature are credited to a restricted fund account and released to income over the useful economic life of the asset in line with depreciation

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

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 is classified under the following activity headings:

- Raising funds comprises fundraising costs, which are incurred in raising funds for the charity.
- Charitable activities include expenditure on the maintenance of the orchestra, marketing and staging concerts, broadcasting and recording, learning & engagement and activities at CBSO Centre.

Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated on a basis consistent with the use of the resources. The bases on which support costs have been allocated are set out in note 7.

Donated services

The value of services provided by volunteers has not been included in these financial statements.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated at the rate of exchange on the day the transaction occurs. Assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Exchange differences are included in the statement of financial activities.

Irrecoverable VAT

Irrecoverable VAT is included in general expenses within support costs and apportioned to activities on the basis of income.

TAXATION

The charitable activities of the company are not subject to taxation; therefore, no provision for taxation is required.

Orchestra Tax Relief is recognised as and when the receipt is considered probable and can be reasonably measured.

FUNCTIONAL CURRENCY

The financial statements are presented in sterling, which is also the functional currency of the charity. Figures included in the financial statements are rounded to the nearest £1,000.

FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets, other than assets under the course of construction, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Long term leasehold property	20 – 50 years
Technical, stage & musical equipment	5 – 50 years
Plant, fixtures, computers & motor vehicles	3 – 10 years
Works of Art	10 years

Individual assets under £2,500 are written off in full in the year of purchase.

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.

TRADE DEBTORS

Trade and other debtors which are receivable within one year are initially recognised at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

TRADE CREDITORS AND LIABILITIES

Trade creditors payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Liabilities are recognised when either a constructive or legal obligation exists.

FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds represent unrestricted funds which have been designated for a specific purpose based on decisions approved by the Board of Trustees.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 15 to the financial statements.

RETIREMENT BENEFITS

Defined contribution scheme

For the defined contribution scheme, the amount charged to the Statement of Financial Activities is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Defined benefit scheme

For the defined benefit retirement scheme, the cost of providing benefits is determined using the projected unit credit method.

Asset/Liability

The net defined benefit liability represents the present value of the defined benefit obligation minus the fair value of scheme assets out of which obligations are to be settled. Any asset resulting from this calculation is limited to the present value of available refunds or reductions in future contributions to the scheme.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Gains/losses

Gains and losses are recognised in the Statement of Financial Activities.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the charity's accounting policies, which are described above, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Defined Benefit Pension Scheme Actuarial assumption

The present value of the defined benefit pension scheme liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 14, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach, which projects results from the latest full actuarial valuation performed at 5 April 2021, has been used by the actuary in valuing the pension's liability at 31 March 2024 (5 April 2021 actuarial valuation for pension's liability at 31 March 2023). Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Orchestra Tax Relief (OTR)

The tax credit as a result of Orchestra Tax Relief (OTR) is calculated based on an estimate of qualifying expenditure (and excluding non-qualifying expenditure) incurred in the financial year. Any changes in the assumptions will affect the value of the credit to be received.

Notes to the Financial Statements

2 DONATIONS AND LEGACIES

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Trusts	1,484	843
Donations, Membership and Legacies	1,580	1,480
Sponsorship	54	159
	<u>3,118</u>	<u>2,482</u>

Income from donations and legacies was £3,118k (2023: £2,482k) of which £2,462k was unrestricted (2023: £1,394k), £nil was designated (2023: £45k) and £656k was restricted (2023: £1,043k). During the year, a gift of musical instruments from the City of Birmingham Orchestra Endowment Fund (CBOEF) was recognised and this was recorded at a total value of £882k and is included within unrestricted income.

3 GRANT INCOME

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Arts Council England grant	2,221	2,221
Birmingham City Council grant	608	608
Other grants: Job Retention scheme	-	10
	<u>2,829</u>	<u>2,839</u>

All grants were wholly unrestricted in both years.

4 INCOME FROM CHARITABLE ACTIVITIES

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Birmingham Concerts and promotions	1,603	1,372
Other UK engagements	376	343
Overseas engagements	1,201	1,993
Broadcasting and recording	45	77
Learning & Engagement	249	142
CBSO Centre income	82	82
	<u>3,556</u>	<u>4,009</u>

Income from charitable activities was £3,556k (2023: £4,009k) of which £3,404k was unrestricted (2023: £3,895k) and £152k was restricted (2023: £114k).

5 INVESTMENT INCOME

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Endowment income	575	-
Interest receivable	6	2
	<u>581</u>	<u>2</u>

Investment income is wholly unrestricted.

6 ANALYSIS OF TOTAL EXPENDITURE

	Direct Costs	Support & Governance Costs	Total 2024	Total 2023
	£'000	£'000	£'000	£'000
RAISING FUNDS:				
Fundraising expenses	124	542	666	411
CHARITABLE ACTIVITIES:				
Birmingham concerts and promotions	4,407	507	4,914	4,490
Other UK engagements	615	110	725	648
Overseas engagements	2,394	328	2,722	4,015
Concert marketing and advertising	217	753	970	995
Broadcasting and recording	4	70	74	279
Learning & Engagement	518	458	976	719
CBSO Centre	-	281	281	210
SUBTOTAL	8,155	2,507	10,662	11,356
TOTAL	8,279	3,049	11,328	11,767

Expenditure on raising funds was £666k (2023: £411k) all of which was unrestricted.

Expenditure on charitable activities was £10,662k (2023: £11,356k) of which £9,854k was unrestricted (2023: £9,813k), £nil was designated (2023: £386k) and £808k was restricted (2023: £1,157k).

7 ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charity identifies the cost of its support functions and the costs which relate to the governance function. These costs are apportioned between the activities of the charity pro rata in line with the basis of usage as noted below:

	Support Costs	Governance Costs	Total 2024	Basis of apportionment
	£'000	£'000	£'000	
Salaries (including pensions)	1,440	208	1,648	Time spent
Rent, rates & service charge	178	-	178	Income
Maintenance, buildings & equipment	224	-	224	Income
Professional charges	-	240	240	Income
Depreciation	284	-	284	Income
General expenses	475	-	475	Income
	2,601	448	3,049	

8 NET EXPENDITURE FOR THE YEAR

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
This is stated after charging:		
Auditors' remuneration		
- for audit services	33	26
- for non-audit services	4	7
Loss on disposal of fixed assets	21	2
Depreciation of tangible fixed assets	284	264

9 STAFF COSTS & TRUSTEE REMUNERATION

	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Wages and salaries	4,340	3,997
Social security costs	431	448
Pension costs	233	188
	<u>5,004</u>	<u>4,633</u>

Pensions costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The number of employees during the year was as follows:

	Average Headcount		Full Time Equivalent	
	2024 No.	2023 No.	2024 No.	2023 No.
Senior Management	6	6	6	6
Other Office Staff	38	35	35	32
Orchestra	71	68	66	63
	<u>115</u>	<u>109</u>	<u>107</u>	<u>101</u>

The number of employees whose emoluments, excluding pension contributions but including benefits in kind, were in excess of £60,000 in the year ended 31 March was:

	2024 No.	2023 No.
£60,001 – £70,000	1	1
£100,001 – £110,000	1	1

The employers' contribution to the CBSO Group Stakeholder Plan for the above employees was £8,236 (2023: £7,850).

The senior management personnel of the charity comprised the Chief Executive Officer, the Director of Finance & Resources, Director of Development, Director of Marketing & Communications, Director of Orchestra Operations, and Director of Learning & Engagement. The total compensation including national insurance and pension contributions payable to the senior management personnel of the charity was £462,872 (2023: £423,517).

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are provided in its Trustees Annual Report. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

The trustees who are members of the orchestra received total compensation, including national insurance and pension contributions, totalling £102,342 (2023: £79,244), on the same pay scale as that paid to other playing members in respect of their performance with the orchestra. No extra payments were made for their services as trustees of the charity. All other charity trustees were not paid and/or received any other benefits from employment with the charity in the year (2023: £nil) neither were they reimbursed expenses during the year (2023: £nil).

A trustee indemnity insurance premium of £14,988 (2023: £11,200) was paid in the year.

10 TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The charity has included a tax credit in respect of Orchestra Tax Relief received/receivable as follows:

	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Current year relief receivable	2,389	2,575
Over provision of prior years' relief	34	39
	<u>2,423</u>	<u>2,614</u>

Tax receivable income is wholly unrestricted.

11 FIXED ASSETS

	Long term leasehold property	Technical, stage & musical equipment	Plant, fixtures, computers, and motor vehicles	Work of Art	Total
	£'000	£'000	£'000	£'000	£'000
COST					
At 1 April 2023	4,744	1,203	1,083	18	7,048
Additions	-	909	-	-	909
Disposals	-	(11)	(21)	-	(32)
At 31 March 2024	4,744	2,101	1,062	18	7,925
DEPRECIATION					
At 1 April 2023	2,307	805	714	18	3,844
Charged in the year	113	72	99	-	284
Disposals	-	(12)	-	-	(12)
At 31 March 2024	2,420	865	813	18	4,116
NET BOOK VALUE					
At 31 March 2023	2,437	398	369	-	3,204
At 31 March 2024	2,324	1,236	249	-	3,809

On 15 May 2014, as a condition of the Arts Council England grant towards the refurbishment of the CBSO Centre, the charity executed a 20-year legal charge over the building. This charge gives Arts Council England a first legal mortgage over CBSO Centre up to an amount of the £1.32m grant award.

During the year, the transfer in of a gift of assets (musical instruments) from the City of Birmingham Orchestra Endowment Fund (CBOEF) was recognised as part of the wind down process of the CBOEF, and this was recorded at a total gross value of £882k.

12 DEBTORS

	Year ended 31 March 2024	Year ended 31 March 2023
	£'000	£'000
Trade debtors	155	96
Other debtors	201	243
Taxation and social security costs	108	-
Prepayments and accrued income	5,456	4,977
	5,920	5,316

13 CREDITORS: Amounts falling due within one year

	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
Trade creditors	704	696
Other creditors	256	12
Taxation and social security costs	7	24
Deferred income	755	905
Accruals	847	965
	2,569	2,602
Deferred income:		
	Year ended 31 March 2024 £'000	Year ended 31 March 2023 £'000
At 1 April 2023	905	1,384
Amount deferred in year	726	452
Amount released to income earned from charitable activities	(876)	(931)
At 31 March 2024	755	905

Deferred income consists of monies received (including the unrecognised element of a £0.8m legacy which is being recognised equally over a period of eight years in line with the donor's wishes), to support the charity's recovery from Covid -19 and for future education projects and other charitable activities, Chorus membership fees and rent invoiced in advance.

Accruals includes £38,847 (2023: £31,309) of unpaid pension contributions in respect of the Defined Benefit Pension Scheme.

14 PENSION AND SIMILAR OBLIGATIONS

An approximate actuarial valuation of the Defined Benefit Scheme was carried out by a qualified independent actuary as at 31 March 2024.

The major financial assumptions used by the actuary were:

	2024	2023
Discount rate (% p.a.)	4.70%	4.90%
Salary increase rate (% p.a.)	3.25%	3.35%
Rate of revaluation in deferment (% p.a.)		
- CPI max 5% p.a.	2.85%	2.85%
- CPI max 2.5% p.a.	2.85%	2.85%
Pension increase rate (% p.a.)		
- RPI, capped at 5% p.a.	3.05%	3.25%
- RPI, capped at 3% p.a.	2.30%	2.55%
- RPI, capped at 2.5% p.a.	2.00%	2.25%
- CPI, capped at 3% p.a.	2.15%	2.30%
Price inflation rate (% p.a.)	3.25%	3.35%
Consumer inflation rate (% p.a.)	3.40%	3.40%

	2024	2023
Life expectancy at age 65:		
Current pensioners – Men	21.1	21.6
Current pensioners – Women	23.5	23.9
Future pensioners now 45 – Men	21.5	22.0
Future pensioners now 45 – Women	24.1	24.5
Mortality table – pre and post-retirement	S3PXA with CMI 2020 - 0.50%	

At the balance sheet date, the fair value of the assets of the Scheme was made up as follows:

	2024 £'000	2023 £'000
Multi-Asset Funds	5,180	4,368
Equities	10,020	10,552
Property	260	369
Gilts & Hedging	356	243
Alternatives	661	554
Cash	235	297
Total	16,712	16,383
	2024 £'000	2023 £'000
Balance sheet:		
Present value of Scheme liabilities	(21,507)	(21,585)
Fair value of Scheme assets	16,712	16,383
	(4,795)	(5,202)

In addition, the trustees held insured annuities. The value of these annuities has been excluded from the assets and liabilities. Their inclusion would have a neutral effect on the deficit figure as the liability value is exactly matched by the value of the insurance policy held.

The employer's best estimate of company contributions to be paid in respect of the Scheme during the financial year ending 31 March 2025 is £489,470 (at 31 March 2023 £466,000).

The scheme does not invest in the employer's own property or other assets

Analysis of the amount charged to the Statement of Financial Activities

	2024 £'000	2023 £'000
Interest on Scheme liabilities	1,034	819
Interest on Scheme assets	(788)	(606)
Administration costs	94	112
Amount charged to operating costs	340	325
Actuarial gain on Scheme liabilities	140	(6,965)
Actual loss on Scheme assets	(141)	4,776
Total expense/ (gain)	59	(1,864)
Total return on Scheme assets	928	(4,170)

Changes in the present value of the defined benefit obligation are as follows:

	2024	2023
	£'000	£'000
Opening defined benefit obligation	21,585	28,760
Interest cost	1,034	819
Benefits paid	(971)	(1,029)
Actuarial (gain)/loss	(140)	(6,965)
Closing defined benefit obligation	21,508	21,585

	2024	2023
	£'000	£'000
Opening scheme assets	16,383	21,250
Expected return on assets	788	606
Employer contributions	466	444
Benefits paid	(971)	(1,029)
Administration costs	(94)	(112)
Actuarial (loss)/gain	140	(4,776)
Closing scheme assets	16,712	16,383

The charity is aware that the Court of Appeal has recently upheld the decision in *the Virgin Media vs NTL Pension Trustees II Limited* case. The CBSO scheme is within the scope of those schemes potentially affected by the case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. The trustees do not believe that there is any evidence that s.37 of the Pension Schemes Act 1993 was not complied with in terms of obtaining actuarial confirmation. Until further investigations have been completed by the UK Government's Actuary's Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown, and therefore no adjustment has been made in respect of the outcomes of this case.

15 RESTRICTED FUNDS

	1 April 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2024 £'000
CBSO Centre reserve	2,537	-	-	(84)	2,453
CBSO Truck reserve	247	-	-	(1)	246
Arts Council capital grant	211	-	-	(113)	98
Youth Orchestra reserve	8	-	-	-	8
Education & chorus reserve	-	152	(152)	-	-
Charitable activities reserve	-	656	(656)	-	-
	3,003	808	(808)	(198)	2,805

	1 April 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	31 March 2023 £'000
CBSO Centre reserve	2,620	-	-	(83)	2,537
CBSO Truck reserve	256	-	-	(9)	247
Arts Council capital grant	355	-	-	(144)	211
Youth Orchestra reserve	23	-	-	(15)	8
Education & chorus reserve	-	114	(114)	-	-
Charitable activities reserve	-	1,043	(1,043)	-	-
	3,254	1,157	(1,157)	(251)	3,003

Name of Restricted Fund	Description, Nature and Purposes of the Fund
CBSO Centre reserve	The CBSO Centre reserve comprises amounts received in grants and used to fund both the initial build and future enhancements of CBSO Centre. The transfer in the year is equivalent to the depreciation charge on the assets.
CBSO Truck reserve	The Arts Council capital grant represents monies received from Arts Council England to support the refurbishment of CBSO Centre. The transfer in the year is equivalent to the depreciation charge on the assets.
Arts Council capital grant	The Arts Council capital grant represents monies received from Arts Council England to support the purchase of a new instrument truck. The transfer in the year is equivalent to the depreciation charge on the assets. In line with the terms of these grants, the monies received are shown as separate restricted grants. The transfer in the year is equivalent to the depreciation charge on the assets.
Youth Orchestra reserve	The Youth Orchestra reserve comprises funds donated by the Midlands Youth Orchestra and a subsequent legacy, to be used in support of the CBSO Youth Orchestra. During the year £nil of the grant was used (2023: £15k).
Education & chorus reserve	The Education & Chorus reserve represents monies received from Trusts, Foundations and Corporate sponsors to fund the CBSO's Learning & Engagement work in schools and the wider community.
Charitable activities reserve	The Charitable activities reserve represents monies from Trusts and individual sponsors to support other charitable activities including large scale concerts and the Music Director and Orchestra Leader positions.

16 UNRESTRICTED FUNDS

	1 April 2023	Surplus in year	Actuarial gains and losses	Transfers	31 March 2024
	£'000	£'000	£'000	£'000	£'000
General reserve	3,370	1,053	-	198	4,621
Pension reserve	(5,202)	126	281	-	(4,795)
	(1,832)	1,179	281	198	(174)

	1 April 2022	Surplus in year	Actuarial gains and losses	Transfers	31 March 2023
	£'000	£'000	£'000	£'000	£'000
General reserve	2,718	401	-	251	3,370
Designated reserve	341	(341)	-	-	-
Pension reserve	(7,510)	119	2,189	-	(5,202)
	(4,451)	179	2,189	251	(1,832)

17 NET ASSETS BY FUND

	Restricted 2024 £'000	Unrestricted 2024 £'000	Total 2024 £'000
Funds are represented by:			
Fixed Assets	2,325	1,484	3,809
Net Current assets	480	3,137	3,617
Defined benefit pension liability	-	(4,795)	(4,795)
	2,805	(174)	2,631

	Restricted 2023 £'000	Unrestricted 2023 £'000	Total 2023 £'000
Funds are represented by:			
Fixed Assets	2,990	214	3,204
Net Current assets	13	3,156	3,169
Defined benefit pension liability	-	(5,202)	(5,202)
	3,003	(1,832)	1,171

18 RELATED PARTY TRANSACTIONS

The CBSO Pension Trustee Limited, which was incorporated on 22 April 2013, is a wholly owned subsidiary of the charity. The CBSO Pension Trustee Limited acts as the corporate trustee for the charity's defined benefit pension scheme. The registered address of The CBSO Pension Trustee Limited is CBSO Centre, Berkley Street, Birmingham. B1 2LF. There have been no transactions during the year and thus The CBSO Pension Trustee Limited is not consolidated within these accounts. In the year end accounts to 31 March 2024 the net assets of the company were £1.