

Oban Music Society

Unaudited Financial Statements

31 March 2023

R A CLEMENT ASSOCIATES CHARTERED ACCOUNTANTS

Chartered accountants

5 Argyll Square

Oban

Argyll

PA34 4AZ

Oban Music Society

Financial Statements

Year ended 31 March 2023

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Oban Music Society

Trustees' Annual Report

Year ended 31 March 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	Oban Music Society
Charity registration number	SC020711
Principal office	Dunnottar Crannaig A Mhinister Oban PA34 4LX

The trustees

James Campbell
Molly Adams
Seymour Adams
Ian Parson
Mark Evetts
Carol Leech
Jeremy Church

Independent examiner	Angus MacGillivray F.C.C.A. of R A Clement Associates C.A. 5 Argyll Square Oban Argyll PA34 4AZ
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Structure, governance and management

Recruitment and Appointment of Trustees

The Oban Music Society Committee meets four times a year. The Trustees are the Committee. The Trustees/Committee members are elected at the annual general meeting held in June.

Governing Document

The Charity is an Unincorporated Association. It was registered in its current legal form on 10 November 1992 and is governed by its Constitution.

Charitable Purposes

The purpose of the Oban Music Society is to promote and encourage the study, practice and knowledge of music in Oban and the surrounding district and other educational, artistic and cultural purposes connected therewith.

Oban Music Society

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

Objectives and activities

Activities and Achievements

We organise a series of 6 professional music performances through the autumn, winter and spring each year. Unfortunately, the Argyll and Bute Concert group (ABCT), of which we were an active member, was terminated last year for lack of support. The ABCT helped bring touring groups to Argyll and Bute.

Our concerts are held in St John's Episcopalian Cathedral in Oban on Saturdays at 15.00. We now organise a summer season performed by professional musicians and are held on a Saturday at 19.00. This coming year we are to organise concerts in a different venue to see if there will be greater support.

We support Scottish groups of musicians, Scottish composers, female composers and new compositions. We encourage a diverse range of classical music. We enable local young people to participate and interact with the performers. We do not charge school children and students.

Achievements and performance

SECRETARY'S REPORT FOR 2022/23

The 2022/23 season was in many respects a period of transition for OMS, as we sought to re-establish musical life in Oban in the wake of the pandemic.

In common with music societies across Scotland we have, since lockdown, experienced a drop in audience numbers of around 20% compared to pre-Covid levels, either because of continued levels of infection among audience members, or because they are still reluctant to attend events which involve mixing with strangers (or both). Further, and because of the risk the pandemic continues to represent in having to cancel concerts, we have abandoned our subscription model and now simply charge a flat rate for admission to each recital (save for students in full time education, who continue to attend for free). In common with a number of other societies, from October we also increased our admission charge from £10 to £15.

Oban Music Society

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

Achievements and performance *(continued)*

In anticipation of an early end to the pandemic and resumption of the tourist season, we planned an ambitious series of summer concerts, highlighting Scottish artists and ensembles such as Peter and Uli Evans, Gina MacCormack and Nigel Clayton and Angela Brownrig, and also featuring Juilliard Professor Joel Sachs playing Charles Ives' rarely heard first sonata. We have also continued our policy of encouraging musicians to feature works by Scottish composers (e.g. James MacMillan), women composers (e.g. Claire Lodell) and LGBTQ composers (e.g. Henry Cowell). As the accounts show, this turned out in retrospect to have been something of an expensive misjudgement, as the pandemic proved to have a longer tail than we had anticipated, and we had to dig significantly into our reserves as a result. Our autumn season was more successful, taking advantage both of the Tunnel Trust (Ensemble Renard) and CMS (Isola Quartet), but also enabling us to promote Scottish superstars Steven Osborne (who gave this year's Bet Graham memorial recital), Malcolm Martineau and Lorna Anderson. Phillip Leslie's recital fulfilled an undertaking made before Covid to bring Pictures at an Exhibition to Oban, and Iriena Radic's ensemble was able to mark the Vaughan Williams 150th anniversary. We continue to keep costs down by accommodating artists with Committee members, thus avoiding the use of hotels.

We have made improvements to our marketing this year by rebranding as Music in Oban and have persuaded Jimmy MacDougall to publicise our programme on his radio show. We have investigated the use of banners and concert agents (though we concluded neither would show value for money).

We have further strengthened our links with the community and with partners. We have fulfilled a longstanding commitment to provide folding chairs to the cathedral (for use by visiting ensembles and choirs) and have twice welcomed the orchestra of Oban High School to St John's. Unfortunately, the formal structure of Argyll and Bute Concert Tours has been disbanded (two of the five societies ceased as a result of Covid), but we continue to collaborate with Bute and Mid-Argyll over programme planning (we had a joint tour planned for Anna Federova, but she cancelled). Finally, we are developing links with Scottish Opera, highlighting their emerging artists, three of whom visited for a highly successful recital in September.

Financial review

Reserves

We decided to keep a balance of £10,000 in our current account, to cover all eventualities and to place the remaining money into interest bearing accounts, which is the present situation.

The Oban Music Society is in the fortunate position that we do have healthy accessible reserves held in our current bank account and money invested in interest bearing accounts. We plan to reduce our investments over the next 10 years by organising and underwriting our winter concert series and regular one off concerts, as well as restarting the annual young musicians' scholarship. These plans fully advance the charitable purpose of the society and will be reviewed annually at the AGM. We feel that our plans fulfil our charitable duties and are in alignment with the purpose of the society

Oban Music Society

Trustees' Annual Report *(continued)*

Year ended 31 March 2023

The trustees' annual report was approved on 5/6/23 and signed on behalf of the board of trustees by:



Ian Parson
Trustee

Oban Music Society

Independent Examiner's Report to the Trustees of Oban Music Society

Year ended 31 March 2023

I report to the trustees on my examination of the financial statements of Oban Music Society ('the charity') for the year ended 31 March 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the '2005 Act') and the Charities Accounts (Scotland) Regulations 2006 (as amended). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the charity's financial statements as carried out under section 44(1)(c) of the 2005 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent examiner's statement

Since the charity has prepared its accounts on an accruals basis your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of ICAS which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention giving me cause to believe that in any material respect:

1. accounting records were not kept as required by section 44(1)(a) of the 2005 Act and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006 (as amended); or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Angus MacGillivray F.C.C.A.
of R A Clement Associates C.A.
Independent Examiner

5 Argyll Square
Oban
Argyll
PA34 4AZ

Oban Music Society

Receipts and payments account

Year ended 31 March 2023

		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	3,237	3,237	4,660
Charitable activities	5	5,390	5,390	4,155
Investment income	6	49	49	508
Total income		<u>8,676</u>	<u>8,676</u>	<u>9,323</u>
Expenditure				
Expenditure on charitable activities	7,8	18,977	18,977	12,074
Total expenditure		<u>18,977</u>	<u>18,977</u>	<u>12,074</u>
Surplus/(Deficit) for the year		<u>(10,301)</u>	<u>(10,301)</u>	<u>(2,751)</u>

The notes on pages 8 to 13 form part of these financial statements.

Oban Music Society

Statement of Balances

31 March 2023

		2023	2022
	Note	£	£
Bank and Cash/Reserves			
Opening bank/cash on hand		53,482	56,233
Surplus/(Deficit) for the year		10,301	(2,751)
Closing bank/cash on hand		<u>43,181</u>	<u>53,842</u>
Bank and cash balance made up of			
Treasurers Account		6,796	7,097
Nationwide 3 yr Business Saver		36,385	36,385
Nationwide 95 Day Business Reserve		-	10,000
	12	<u>43,181</u>	<u>53,482</u>
All funds are unrestricted.			
Other Assets Held			
Steinway B Piano #569765		52,250	52,520

These financial statements were approved by the board of trustees and authorised for issue on 5/6/23 and are signed on behalf of the board by:



Ian Parson
Trustee

The notes on pages 8 to 13 form part of these financial statements.

Oban Music Society

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a registered charity in Scotland and is unincorporated. The address of the principal office is Dunnottar, Crannaig A Mhinister, Oban, PA34 4LX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

3. Accounting policies

Basis of preparation

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

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

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

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of (enter name of group financial statements) which can be obtained from (enter detail). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

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

Oban Music Society

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Oban Music Society

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Oban Music Society

Notes to the Financial Statements (continued)

Year ended 31 March 2023

3. Accounting policies (continued)

Financial instruments (continued)

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	387	387	—	—
Grants				
Enterprise Music Scotland - Grants	—	—	4,660	4,660
CMS Grant	2,800	2,800	—	—
Making Music Grant	50	50	—	—
	<u>3,237</u>	<u>3,237</u>	<u>4,660</u>	<u>4,660</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Door tickets	<u>5,390</u>	<u>5,390</u>	<u>4,155</u>	<u>4,155</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest	<u>49</u>	<u>49</u>	<u>508</u>	<u>508</u>

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
General activities	18,437	18,437	11,762	11,762
Support costs	540	540	312	312
	<u>18,977</u>	<u>18,977</u>	<u>12,074</u>	<u>12,074</u>

Oban Music Society

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
General activities	18,437	—	18,437	11,762
Governance costs	—	540	540	312
	<u>18,437</u>	<u>540</u>	<u>18,977</u>	<u>12,074</u>

9. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>540</u>	<u>312</u>

10. Staff costs

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

11. Trustee remuneration and expenses

The Trustees did not receive any remuneration or expenses during the year.

12. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
General funds	<u>53,482</u>	<u>8,676</u>	<u>(18,977)</u>	<u>43,181</u>

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
General funds	<u>56,233</u>	<u>9,323</u>	<u>(12,074)</u>	<u>53,482</u>

Oban Music Society

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

13. Related parties

During the year the charity entered into the following transactions with related parties:

	Transaction value		Balance owed	
	2023	2022	2023	2022
	£	£	£	£
Ian Parson	10,000	—	—	—

During the year Ian Parson (a trustee) made a short term loan to the charity which was repaid in full within the year.

Oban Music Society

Management Information

Year ended 31 March 2023

The following pages do not form part of the financial statements.

Oban Music Society

Detailed Receipts & payments account

Year ended 31 March 2023

	2023 £	2022 £
Income and endowments		
Donations and legacies		
Donations	387	—
Enterprise Music Scotland - Grants	—	4,660
CMS Grant	2,800	—
Making Music Grant	50	—
	<u>3,237</u>	<u>4,660</u>
Charitable activities		
Door tickets	<u>5,390</u>	<u>4,155</u>
Investment income		
Bank interest	<u>49</u>	<u>508</u>
Total income	<u>8,676</u>	<u>9,323</u>
Expenditure		
Expenditure on charitable activities		
Purchases	(9,850)	(6,975)
Rent	(1,200)	(875)
Repairs and maintenance	(5,076)	(2,078)
Other motor/travel costs	(1,596)	(1,565)
Legal and professional fees	(540)	(312)
Other office costs	(342)	(76)
Making Music fee	(373)	(193)
	<u>(18,977)</u>	<u>(12,074)</u>
Total expenditure	<u>(18,977)</u>	<u>(12,074)</u>
Net expenditure	<u>(10,301)</u>	<u>(2,751)</u>

Oban Music Society

Notes to the Detailed Receipts & payments account

Year ended 31 March 2023

	2023 £	2022 £
Expenditure on charitable activities		
General activities		
<i>Activities undertaken directly</i>		
Artist fees	(9,850)	(6,975)
Hire of Halls	(1,200)	(875)
Piano and other maintenance	(5,076)	(2,078)
Artist accommodation and travel	(1,596)	(1,565)
Printing, stationery & postage	(342)	(76)
Making Music fee	(373)	(193)
	<u>(18,437)</u>	<u>(11,762)</u>
Governance costs		
Governance costs - accountancy fees	(540)	(312)
	<u></u>	<u></u>
Expenditure on charitable activities	<u>(18,977)</u>	<u>(12,074)</u>
