



The Royal Philharmonic Society

Summarised Accounts

Year Ended 31 August 2015

The Royal Philharmonic Society Report of the Trustees For the Year Ended 31 August 2015

The Trustees of The Royal Philharmonic Society are pleased to present the summarised accounts of the Society for the year ended 31 August 2015.

Structure, Governance and Management

Governing Documents

The Royal Philharmonic Society is a company limited by guarantee. It is registered as a charity with the Charity Commission. Membership is open to all on payment of an annual donation and there are currently 600 members, of whom around forty percent are defined as professional musicians. Six organisations have corporate membership. In the event of winding up, individual members agree to contribute an amount not exceeding £1.

The board of Trustees of the Royal Philharmonic Society are individually and collectively its directors for the purposes of company law and its Trustees for the purpose of charity law. The Trustees are assisted by the Council, an advisory body of RPS members who bring a wide range of musical and other professional expertise to the Society. All Trustees and Council members act in a voluntary capacity.

Appointment of Trustees

The Trustees are appointed from among the members of the Council by a resolution of the RPS Members at the AGM. All Trustees serve for an initial term of three years.

RPS members are appointed to serve on the Council by a resolution of the Trustees and the names of those serving must be approved at the AGM. They are drawn from professional musicians and non-professionals to give as wide a breadth of viewpoint and expertise as possible. At the moment, there are twelve professional musicians on the Council.

The officers are elected each year by the AGM, and the Chairman is elected each year by the Trustees from among their members at the first meeting following the AGM. All members of the Council (including the Trustees) serve without remuneration.

Trustee Induction and Training

All new Trustees meet the Chairman and Executive Director to discuss their appointment and are provided with a detailed written briefing on the role of the Society and the responsibilities of charity Trustees. They also receive copies of the Articles of Association, the Annual Accounts for the previous financial year and copies of recent Trustee Meeting Minutes. All Trustees are asked to declare any possible conflict of interest resulting from their involvement in other organisations. A register of these interests is maintained at the Society's offices.

Organisation

John Gilhooly served as Chairman, Anthony Newhouse as Honorary Treasurer and David Long as Honorary Secretary throughout the year. Colin Lawson stepped down from the Board in March 2015.

The RPS has three full time employees responsible for the day-to-day conduct of the Society's activities: The Executive Director is Rosemary Johnson, Laura Emmett is Development Manager and Alison Brand was Administrative Assistant until December but was replaced by Robin Sheffield. Tom Hutchinson was employed as freelance Project Co-ordinator to the end of the financial year and Alison Pavier as freelance Development Consultant. The administration report to the Trustees at five meetings during the year.

The Society's Annual General Meeting was held on Wednesday 11 March 2015, at the In and Out Club, London SW1. Colin Lawson retired as a Trustee but will continue to serve on the Council and Vernon Ellis, Anthony Newhouse and Kingsley Manning were appointed as Trustees.

Lincoln Abbots (Director of Strategic Development, Associated Board of the Royal Schools of Music), Nicolas Bell (British Library), Jerome Booth (Economist, entrepreneur, leading expert on emerging markets), Iain Burnside (pianist and broadcaster), Mary King (singer and vocal coach), Chi-chi Nwanoku (double bassist), Arthur Searle (Honorary Librarian), Tom Service (Broadcaster and Writer), Atholl Swainston-Harrison (Chief Executive International Artists Management Association) and Laurie Watt (Senior Counsel Charles Russell Speechlys LLP) were approved as members of the Council.

The Royal Philharmonic Society Report of the Trustees For the Year Ended 31 August 2015

Afterwards Christopher Cook entertained members with stories of the early characters of the Philharmonic Society including Johann Peter Salomon (1745-1815), who was the first leader of the Philharmonic Society Orchestra, and double bassist Domenico Dragonetti who demanded high fees and even brought his dog, Carlo, to performances. Music from the period was performed by members of the Orchestra of the Age of Enlightenment.

In October 2014 the Society left its offices in Stratford Place (which have now been sold by the Royal Society of Musicians) and moved into an excellent space in the Schott Music Publishing Building in Great Marlborough Street. We have a new partnership with Schott who support our annual Concert Series and Festivals Award.

Related Parties

The Society continues a close relationship with the Susan Chilcott Scholarship, a charity which exists to assist the career development of singers between the ages of 23 and 33. The Society administers the charity and is paid an annual fee for doing so. Two Trustees of the scholarship also serve as Trustees of the RPS.

Objectives and Activities

During the year under review, the Society has continued to develop projects and activities to achieve its objectives of the greater understanding of music, encouraging creativity in music and giving recognition to excellence in music and musicians by implementing the following strategies:

- increased support of **young musicians** in education and at the start of their profession
- an active commissioning policy and additional opportunities for **composers**
- the recognition of **excellence of musicianship** and services to music
- continuing support for the development of musical **education for all** and of **new ways of engaging audiences**
- the promotion of **debate** about key issues facing music today
- the promotion of free and low price events, open to all, that further the appreciation of music

Achievements and Performance

Creativity, excellence and understanding in classical music underpin everything the Royal Philharmonic Society does. Our role is bringing people together across the entire sector – concert audiences, performers, educators and administrators – to create a rich and vibrant future for classical music.

Young Musicians

RPS Executive Director, Rosemary Johnson made an appeal for funds for the RPS Young Musicians Programme at the RPS Music Awards dinner. This was extremely successful and raised £40,000, which has allowed us to increase our vital support for young musicians at the early stages of the profession and for the first time to reach out to school-age children.

Ensemble Philharmonic, in partnership with Duet Group, connects school music departments with the music profession through concerts, roundtable discussions, masterclasses and newsletters, and has also instated two new prizes for young instrumentalists and composers.



For eight months we worked with Sarah Derbyshire MBE on Musical Routes, a timely report (published at the beginning of September 2015) which pointed up that the current structure for music education is widely acknowledged as complex and disjointed, and which offered practical initiatives designed to galvanise us all to create more effective ways for performers and teachers to work together for the benefit of young musicians. The report was well received and was shared over 4,000 times on one website alone. The RPS is continuing to work with partner organisations to explore how the recommendations might best be implemented so that we can encourage new professional practices and meet the diversity of young people with a diversity of musical opportunities.

Mentoring for young musicians has become increasingly important as we recognise the difficulties faced by young performers and composers at the start of their careers without the safety net of an academic institution to fall back on. One to one relationships allow us the opportunity to tailor the programme to the needs of the individuals and to explore new challenges in depth. As pianist Clare Hammond, a participant in our Philip Langridge Mentoring Scheme, says: *“This year with Anne Queffélec has been inspiring, demanding and eye opening in equal measure. I have learnt so much in musical and personal terms and the year represents a turning point for me”*

The Royal Philharmonic Society Report of the Trustees For the Year Ended 31 August 2015



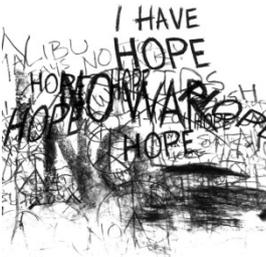
RPS continues to be one of the very few charities which gives grants, rather than loans, for music students who are being impeded in their studies to buy appropriate instruments, and to offer talented performers extraordinary opportunities to study, live and immerse themselves in an entirely different musical culture. This year we gave over £20,000 to 15 students for instrument purchase and awarded scholarships from the Julius Isserlis fund to Kristine Balanas (violin) and Imogen Hancock (trumpet).

A public showcase for the talents of our young performers took place in November including Emily Hoile (harp), Maria Wloszczowska (violin) and Anna Huntley (mezzo) performing and talking about their career paths with Council member Lincoln Abbotts.

Commissions and New Music

We were delighted that a number of RPS commissions won prizes this year. Mark Anthony Turnage's Frieze and Harrison Birtwistle's Songs From the Same Earth both triumphed at the 2014 BASCA Composer Awards while PULSE by composer Dobrinka Tabakova and filmmaker Ruth Paxton was shortlisted for two awards at the London Short Film Festival and won the prize for 'Best Woman Director'.

We continued cross arts collaborations with an intensive course for composers and choreographers to learn from leading dance and music practitioners and a project in partnership with IdeasTap which enabled young composers and filmmakers to realise their own projects.



In the days following the general election we partnered with London Sinfonietta and Matthew Herbert to present Notes to a New Government, a series of 16 new songs, each of which expressed the composers' hopes for society on subjects including loneliness and isolation, the bedroom tax, sex trafficking and the NHS.

A new series of six commissions for the BBC New Generation Artists was launched during the year, with the first, by Jonathan Dove, Nights Not Spent Alone, performed by Kitty Whately and Simon Lepper at the Cheltenham Festival in July and the rest to be premiered in 2015-16, while six young composers won professional commissions in London, Cheltenham, Presteigne and Sheffield through the RPS Young Composer Prizes.

Six vocal compositions were chosen to be part of Encore Choral – a new series of repeat performances of works by living composers which will be performed and recorded during 2016 and 2017.

Awards and Excellence



The RPS Music Awards were presented in May in association with BBC Radio 3 in a new City venue, The Brewery, which proved a popular and more contemporary space with room to increase our number of guests. The ceremony was hosted by Sean Rafferty and Suzy Klein, and the awards were presented by Dame Felicity Lott. During the evening there was live music from the award winning instrumentalist Colin Currie. A full length programme about the Awards was broadcast on BBC Radio 3.

The RPS Gold Medal was given to the Director of the Royal Opera House, Sir Antonio Pappano, who also gave the keynote speech.

The Award winners were:

<p>Audiences and Engagement Chamber Music and Song Chamber-Scale Composition Concert Series and Festivals Conductor Creative Communication Ensemble Instrumentalist Large-Scale Composition Learning and Participation</p> <p>Opera and Music Theatre Singer Young Artists</p>	<p>Philharmonia iOrchestra (SW England) Oxford Lieder Festival Graham Fitkin: Distil sponsored by Boosey and Hawkes in memory of Tony Fell Barbican: Birtwistle at 80 sponsored by Schott Music Andris Nelsons sponsored by BBC Music Magazine Royal Opera: The Opera Machine London Contemporary Orchestra donated by the Yellow Car Charitable Trust Colin Currie donated by The Stradivari Trust Hans Abrahamsen: Let me tell you... donated anonymously Britten's War Requiem, Southbank Centre sponsored by the ABRSM, the exam board for the Royal Schools of Music English National Opera sponsored by the Incorporated Society of Musicians Christian Gerhaher sponsored by Rosenblatt Recitals Mary Bevan donated by the Bowerman Charitable Trust</p>
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The Royal Philharmonic Society Report of the Trustees For the Year Ended 31 August 2015



Also during the year, RPS Honorary Membership for services to music was presented by Colin Matthews to conductor Marin Alsop at a performance at the BBC Proms by the BBC Symphony Orchestra.

The Salomon Award for an outstanding orchestral member went to John Cushing of the Royal Scottish National Orchestra.

The Leslie Boosey Award, which honours champions of contemporary music, was won by the pioneering recording company NMC in its 20th birthday year.

Engagement and Audiences

Throughout the year we organised events devised to increase public understanding of classical music and of the key issues facing the musical world in the 21st century. The Society continues to be a leading advocate for classical music in our daily lives and is an active member of the Bacc for the Future campaign to ensure that creative subjects stay on the curriculum in our schools until at least the age of 16.

We continued our work with young creative writers, and students from the Manchester School of Writing and Goldsmiths University of London produced work inspired by musical performances aimed to widen the vocabulary we use to talk about musical experience. Together with IdeasTap we offered ten young professional photographers the opportunity to spend time with three London orchestras and a masterclass with Sim Canetty-Clarke in order to explore new ways of looking at music. All this work is publicly available via our website.

The annual debate at the Battle of Ideas weekend offered thought-provoking discussion on the value of music criticism, while a round table discussion at the Association of British Orchestra's annual conference explored how much punters should dictate programming and set the cultural agenda. Antonio Pappano's keynote speech at the Awards dinner focussed on the importance of early musical experience for all, and of planting and nurturing the seeds of our future audiences. It was broadcast later on BBC Radio 3 and filmed for the RPS website.

The Society increased its online presence with new short films from pianist Richard Uttley and on the founding of the Philharmonic Society. Our Social Media followings continued to grow steadily and we currently have over 16,000 twitter followers, 5,000 on Facebook, Pinterest pages and YouTube, Vimeo and SoundCloud channels.

Public Benefit

The Trustees refer regularly to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, they regularly consider how planned activities will engage new audiences to contribute to a greater understanding of music and how musical experience can be available to all regardless of age or means. We place particular emphasis on events where artists take time to talk about their work to audiences during the course of the programme and to organising events which are free of charge to the public. Where possible we film or record such events and make them available via our website. The Trustees believe that all their charitable activities contribute to public benefit essentially through education and promotion of music as an art.

Review of Finances

For the year to 31st August 2015 net outgoing resources before recognised gains and losses from our investment portfolio—was £173,849 (previous year, excluding expenditure on the bicentenary campaign, now discontinued, £236,912). This represents a welcome reduction in the rate of diminution of funds, the more so as the unrestricted funds of the Society were reduced at a slightly slower rate by £126,114 (previous year £177,737, again excluding bicentenary campaign costs).

On the incoming resources side, £342,237 (previous year £236,915), of particular note were the receipt of the £41,000 for the Susan Bradshaw Fund and £44,797 for the Young Musicians Fund, of which over £40,000 was raised at the RPS Awards dinner. On the resources expended side, £516,086 (previous year £548,434) there was in aggregate a reduction of £32,348. Outgoings across the unrestricted fund and the restricted funds and linked charities continue to reflect the charges made for the costs of staff and overheads referred to in last year's report on the basis currently applied. The main outgoings from the unrestricted funds continue to be for the annual Awards.

Total reserves at 31st August 2015 stood at 2,165,800 (previous year £2,310,597). Of that total, £746,339 represents the unrestricted funds of the Society (previous year £861,383, the Trustees having determined to combine the designated reserves, as shown in the previous year's balance sheet, with the unrestricted reserves).

**The Royal Philharmonic Society
Report of the Trustees
For the Year Ended 31 August 2015**

Investment Policy

The Trustees have the power under the Articles of Association to invest monies in any way they think fit. The management of the Society's investment funds is delegated to professional Investment Managers who report directly to the Society's Finance Subcommittee.

During the year the Trustees voted to move the Society's investments from Ruffer LLP Absolute Return Fund Income Units to Cazenove Capital Management (part of Schroders Group).

Objective

During the year the Society's written investment policy was: "To adopt a total return approach comprising income and capital from a diversified portfolio of UK and overseas equities, fixed interest, alternative assets and cash. The portfolio should maintain a balanced risk profile, having regard to volatility over the medium term."

Time Horizon: A period of at least five years
Risk Profile: Classified as moderate

Performance

As noted above, the Trustees consider that one of the most significant risks to which the Society is exposed is a decline in the value of the Society's investments. Any substantial loss could severely constrain the Society's ability to continue its normal activities and a severe loss could possibly cause the Society to become operationally ineffective. The Finance Subcommittee is very much aware of this fact and bears it in mind when formulating its investment policy and in regular meetings with the Society's Investment Managers.

During the year the Cazenove Capital Management took over as fund managers. The Society's funds are invested in a diverse range of funds to meet its investment objectives and in cash to meet the anticipated funding gap in the near future as shown in Note 10 to the accounts. Funds under management decreased from £2,210,825 to £2,032,910 over the year to 31st August 2015 after withdrawals of £200,000, there having been a small aggregate realised and unrealised gain.

Reserves Policy

Our long term aim is to build up free reserves to the level where the resulting income will cover all our day to day operating costs on an annual basis. The Society currently has reserves (including its Restricted Funds) of approximately £2.16m.

As previously stated, given the current level of expenditure and the concomitant levels of funding from other sources, subscriptions and grants and donations there was, and will continue to be this year, a funding gap which the Trustees have determined to bridge from reserves. The decision to do so was taken on the grounds that it is necessary, if the levels of reserves are sufficient, to maintain current levels of activity in order to protect the benefits to the Society from its presence and reputation in the musical world so that it may go forward. In the longer term however the Trustees acknowledge that there comes a point where the diminution in the level of our reserves would seriously hamper the day to day functioning of the Society.

Risk Management

The Society revised its risk assessment at the end of 2014. The principal risk faced is the decline in the Society's funding as a result of the economic climate – either in the loss of funding from Trusts and Foundations or through a decline in the value of the Society's investments. Our funding programme is continually monitored and reviewed. The Finance Subcommittee meets the Society's investment advisers regularly.

Future Plans

While the rate at which the Society's reserves have diminished has been reduced, expenditure will for the time being, continue to outstrip income. The Trustees recognise the need to develop further streams of income and to contain expenditure. Grateful for, and encouraged by the support received during the year, the Trustees are planning to build on the success in fund raising at the Awards dinner; and further steps have been taken to reduce expenditure which should be reflected in next year's accounts. Against this background, and its stated Investment and Reserves Policies, the Society will continue to distribute the maximum possible within acceptable financial limits.

The Royal Philharmonic Society
Statement of Financial Activities (Incorporating an Income and Expenditure Account)
For the Year Ended 31 August 2015

	Unrestricted Funds	Restricted Funds	Restricted Linked Charities	Total Funds 2015	Total Funds 2014
	£	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income:					
Donations and legacies	11,595	-	-	11,595	6,337
Membership subscriptions	18,318	-	-	18,318	19,939
Investment income and interest	13,196	5,929	15,219	34,344	39,125
Incoming resources from charitable activities					
Event sponsorship and ticket sales:					
RPS Music Awards	-	105,767	-	105,767	85,425
Other RPS events	1,901	1,428	-	3,329	3,065
Grants and donations:					
Commissioning and new music	-	71,899	4,000	75,899	37,704
Young musicians	-	62,801	13	62,814	32,507
Education and audiences	-	10,313	-	10,313	-
Bicentenary campaign	-	-	-	-	6,301
Other income	17,103	1,600	1,155	19,858	6,512
Total incoming resources	62,113	259,737	20,387	342,237	236,915
Resources expended					
Costs of generating funds:					
Investment management costs	9,835	4,465	11,509	25,809	26,500
Project planning, fundraising and public relations	34,248	-	-	34,248	62,546
New project research	11,820	-	-	11,820	-
Charitable activities:					
RPS Music Awards	54,616	105,767	-	160,383	120,986
Commissioning and new music	22,554	77,855	25,154	125,563	96,608
Young musicians	11,575	45,831	48,030	105,436	104,048
Education and audiences	23,318	9,248	-	32,566	30,452
Bicentenary campaign	-	-	-	-	74,607
Governance costs	20,261	-	-	20,261	32,687
Total resources expended	188,227	243,166	84,693	516,086	548,434
Net incoming / (outgoing) resources before transfers	(126,114)	16,571	(64,306)	(173,849)	(311,519)
Gross transfers between funds	-	-	-	-	-
Net incoming / (outgoing) resources before other recognised gains and losses	(126,114)	16,571	(64,306)	(173,849)	(311,519)
Other recognised gains and losses					
Realised gains / (losses) on investment assets	50,308	22,839	58,872	132,019	-
Unrealised gains / (losses) on investment assets	(39,238)	(17,813)	(45,916)	(102,967)	41,895
Net movement in funds for the year	(115,044)	21,597	(51,350)	(144,797)	(269,624)
Reconciliation of funds					
Total funds brought forward	861,383	441,201	1,008,013	2,310,597	2,580,221
Total funds carried forward	746,339	462,798	956,663	2,165,800	2,310,597

**The Royal Philharmonic Society
Balance Sheet
As at 31 August 2015**

	2015		2014	
	£	£	£	£
Fixed assets				
Tangible assets		3,037		3,906
Investments		2,032,910		2,210,825
		<u>2,035,947</u>		<u>2,214,731</u>
Current assets				
Stocks	8,940		10,728	
Debtors	55,293		55,790	
Cash at bank and in hand	92,777		58,685	
	<u>157,010</u>		<u>125,203</u>	
Creditors: amounts falling due within one year	<u>(27,157)</u>		<u>(29,337)</u>	
Net current assets		129,853		95,866
Net assets		<u><u>2,165,800</u></u>		<u><u>2,310,597</u></u>
Unrestricted funds				
General Fund		746,339		617,186
Designated Funds		-		244,197
Restricted funds				
Drummond Fund	149,917		173,392	
Educational Projects Fund	1,065		-	
Elgar Bursary Fund	8,552		14,312	
New Generation Commissions Fund	9,204		15,873	
Philip Langridge Mentoring Scheme	94,661		110,533	
Susan Bradshaw Fund	144,774		107,136	
Young Musicians Fund	54,625		19,955	
	<u>462,798</u>		<u>441,201</u>	
Restricted linked charities				
Emily Anderson Prize Fund	80,806		83,720	
Julius Isserlis Scholarship Fund	613,157		623,158	
The RPS Composition Prize Fund	37,119		56,619	
Sir John Barbirolli Memorial Foundation	225,581		244,516	
	<u>956,663</u>		<u>1,008,013</u>	
Total funds		<u><u>2,165,800</u></u>		<u><u>2,310,597</u></u>

**The Royal Philharmonic Society
Report of the Trustees and Summarised Accounts
For the Year Ended 31 August 2015**

Trustee's Statement

The summarised accounts on pages numbered 6 and 7 have been extracted from the Society's Annual Report and Financial Statements which were approved by the Trustees on 9 December 2015 and on which the Society's independent examiners gave an unqualified opinion. Copies of the full Annual Report and Financial Statements have been filed with the Registrar of Companies and the Charity Commission.

This summary financial information may not contain sufficient information to allow for a full understanding of the results and financial affairs of the Society. For further information the full Annual Report and Financial Statements can be obtained from the Society's registered office.

John Gilhooly
Chairman

Signed on behalf of the Trustees

9 December 2015

Independent Examiners' Statement on the Summarised Accounts of the Royal Philharmonic Society

We have examined the summarised accounts set out on pages 6 and 7.

Respective responsibilities of the Trustees and independent examiners

You are responsible as Trustees for the purposes of Company Law for the preparation of summarised accounts. We have agreed to report our opinion on the summarised accounts' consistency with the full financial statements, on which we reported on 9 December 2015.

Basis of Opinion

We have carried out the procedures we consider necessary to ascertain whether the summarised accounts are consistent with the full financial statements from which they have been prepared.

Opinion

In our opinion the summarised Accounts are consistent with the full financial statements for the year ended 31 August 2015.

Christopher Bush ACA
Chartered Accountant

For and on behalf of

Clarity
Chartered Accountants

9 December 2015