

MERCURY MUSICAL DEVELOPMENTS

England & Wales · Charity number 1045606

Details

Other names	THE MERCURY WORKSHOP, THE MERCURY WORKSHOP LIMITED, MMD
Status	Registered
Legal form	Charitable company
Company number	03039699
Registered	1995-04-10
Register	View on the Charity Commission register

Contact

Address	Birmingham Hippodrome Hurst Street Birmingham B54TB
Phone	020 3951 7961
Email	natalia@mercurymusicals.com
Website	www.mercurymusicals.com

Activities

Objects: TO ADVANCE THE EDUCATION OF THE PUBLIC BY ENCOURAGING THE UNDERSTANDING, APPRECIATION AND DEVELOPMENT OF MUSIC AND PRINCIPALLY THEATRICAL MUSIC ALSO KNOWN AS DRAMATICO-MUSICAL WORKS, MUSICAL THEATRE, MUSIC THEATRE, OPERA, CHAMBER OPERA, OPERETTA AND MUSICAL COMEDY IN ANY MEDIUM OR FORM FOR EVERY VARIETY OF ENSEMBLE AND FOR SOLO VOICES AND INSTRUMENTALISTS, EXPERIMENTAL, MECHANICAL, ELECTRICAL AND ELECTRONIC, ACOUSTIC AND OTHER INSTRUMENTS AND SOURCES OF SOUND FOR PERFORMANCE IN A DRAMATIC MEDIUM OR ANY OTHER MEDIUM OR FORM WITH WHICH MUSIC MAY BE ASSOCIATED

Activities: Develops the craft of composers, lyricists & book writers in musical theatre. MMD nurtures & showcases new talent.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED ALTHOUGH IN PRACTICE LONDON AND SOUTH EAST ENGLAND
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£174,933	£193,415	-	-
2024-03-31	£165,695	£191,848	-	-
2023-03-31	£179,021	£167,835	-	-
2022-03-31	£150,594	£183,698	-	-
2021-03-31	£163,567	£109,415	-	-

Trustees

Name	Role	Appointed
Matthew Eames	Chair	2024-12-11
Danielle Claire TARENTO		2020-12-01
REBECCA GWYTHYR		2022-03-07
SARAH REILLY		2022-03-07
STEPHEN MARC PIDCOCK		2020-03-03
STEVEN GREENHALGH		2023-06-28
SUMERAH SRIVASTAVA		2020-12-01
TIMOTHY JAMES SUTTON		2020-06-02

MERCURY MUSICAL DEVELOPMENTS

England & Wales - Charity number 1045606

Accounts

REGISTERED COMPANY NUMBER: 03039699 (England and Wales)
REGISTERED CHARITY NUMBER: 1045606

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2025
for
Mercury Musical Developments.**

Locke Williams Associates LLP
Chartered Accountants
Studio 2
50-54 St Pauls Square
Birmingham
West Midlands
B3 1QS

Mercury Musical Developments.

**Contents of the Financial Statements
for the Year Ended 31 March 2025**

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Mercury Musical Developments.

Report of the Trustees for the Year Ended 31 March 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and activities for the public benefit

Throughout the year the activities of the Charity were the advancing of education of the public by encouraging the understanding, appreciation and development of musical theatre, whilst developing the craft of our members in writing books, music and lyrics for the stage and / or screen. This is done via a variety of showcase and developmental programmes - including Q&As, masterclasses, seminars, workshops, residencies and galas with leading industry figures.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Charity relies upon subscriptions, donations and contributions from Arts Council England to provide its major sources of income.

Public benefit

The Trustees, having regard to the public benefit guidance published by the Charities Commission, in accordance with Section 17 of the Charities Act 2011, consider that the purpose of activities of the charity satisfy the requirements of the public benefit as set out in Section 4 of the same Act.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

Mercury Musical Developments (MMD) entered the second year of a new funding period as an Arts Council England National Portfolio Organisation, jointly as a consortium with Musical Theatre Network (MTN). As part of the Arts Council's Transfer programme, in this year MMD moved its main base and registered address to Birmingham Hippodrome.

UK Musical Theatre Conference 2024

The 2024 Conference was held at the Royal Court in London. With approximately 350 attendees, it was the highest attended UK MT Conference to date. Panel and discussion topics included 'Harnessing technology as a creative force', 'Audience trends in musical theatre' and 'Developing musicals with the next generation'. A panel of artistic directors of theatres discussed their musical theatre programming plans, the creators of hit new musical 'Operation Mincemeat' told their story, and Nica Burns CBE was the keynote speaker.

BEAM2025 Pitching Days

22 pitching days for the BEAM2025 showcase were held across the UK in Autumn 2024, taking place at 19 different venues. A total of 356 new musicals were pitched for inclusion in the showcase, and over 50 industry panellists took part in the selection process. Every writer/team that pitched received bespoke written feedback from the panel including useful signposting suggestions. 28 musicals were selected for the showcase, plus 12 additional promising writers were offered 'artist spotlight' slots.

Cameron Mackintosh Resident Composer scheme

Supported by the Cameron Mackintosh Foundation, this scheme gives a musical theatre writer the opportunity to work with a producing theatre or theatre company for six months, assisting on or writing for productions, learning from different departments and receiving resources and time to develop their own production ideas. In 2024 two placements began: Gus Gowland at the National Theatre of Scotland, and the writing team of Daisy Chute and Rebecca Brewer at MAST Mayflower Studios, Southampton. In early 2025 the final placement for this funding period was recruited: the writing team of Clare Packham and Fintan Kealy at British Youth Music Theatre.

Mercury Musical Developments.

Report of the Trustees for the Year Ended 31 March 2025

ACHIEVEMENTS AND PERFORMANCE

Charitable activities continued

Stiles + Drewe Best New Song Prize 2024

The Best New Song Prize concert was held at The Other Palace, London, in December 2024 and celebrated the songwriting talents of MMD's members. Hosted by Jenna Russell, the night featured an array of West End talent and included the 12 finalist songs for the Prize, as well as songs to celebrate the successes recent new British musicals.

Stiles + Drewe Mentorship Award 2023-24

This biennial award involves a year of developmental support for one musical, and in 2023 'The Wife of Michael Cleary' by Maz O'Connor was selected as the recipient. In Autumn 2024 the award concluded with a full-length industry showcase of the piece at The Other Palace.

Writers Labs

Advanced Lab I and Lab II are peer-led writing groups for MMD members, creating a friendly and supportive space for writers to share their work and receive feedback. These meet either bi-monthly or monthly, sometimes online and sometimes in-person.

Mercury Writers Barn

Thanks to funding from the Jane Goodman Charitable Trust, in June 2024 the second annual Mercury Writers Barn was held in Kent. This is a five-day retreat for female writers to find a supportive community, enhance their industry knowledge and learn useful skills tools for writing and navigating their careers.

Skills Fund

In Spring 2024 we opened applications for a small grants Skills Fund, using the Jane Goodman Trust funding, to assist members with skills that would be of significant benefit to their craft and employability. From 41 applications received, we made 14 grants, totalling £7482. Grants included tuition in piano, guitar, British Sign Language, Logic Pro software, musical notation, audio mixing and music theory.

Book, Music & Lyrics

MMD continues to work with and support Book, Music & Lyrics (BML), a craft-based educational programme for musical theatre writers and the only one of its kind in the UK.

Member Events and Support

Funded by the Lionel Bart Foundation, MMD runs a year-round programme of events for members including open mic nights, masterclasses, panel talks, Q&A sessions, discounts on theatre tickets and members' socials. Support for members includes legal advice, industry signposting and script-reading services.

The online Musicals Resource Hub, shared with Musical Theatre Network and launched in early 2024, continues to provide a wealth of craft and career resources for members, with recordings of in-person events such as masterclasses added to increase accessibility.

Equality and Diversity Policy and Action Plan

Action points throughout 2024-25 included:

- Ensuring that the judging pools for all opportunities included a diverse range of industry professionals across gender, ethnicity, age and discipline.
- Partnering on the Musical Theatre Workroom, produced by China Plate, to increase support for musical theatre writers of global majority heritages.
- Initiating several projects funded by the Jane Goodman Charitable Trust to support and champion female/non-binary writers and address the gender imbalance in the industry.
- Sending our opportunities to a wider range of partners to ensure they reach currently underrepresented artists
- Review data collected from MTN & MMD membership and event attendees and use to inform plans for targeting membership drive to further diversify membership

Mercury Musical Developments.

Report of the Trustees for the Year Ended 31 March 2025

ACHIEVEMENTS AND PERFORMANCE

Charitable activities continued

Membership

The membership continues to grow in response to the organisation listening to members and sector needs and offering a wide range of attractive opportunities. Membership income achieved 133% of its target for 2024-25.

FINANCIAL REVIEW

Financial review

The statement of financial activities for the year is set out on page 8 and when considered with the notes to the accounts, shows a year in which our ongoing running costs, combined with the net outturn from the events in the year, continued to be covered by our membership income, donations and funding from the Arts Council England.

Reserves policy

At the year end the total funds were valued at £122,316 (2024 - £140,798), which consisted of Unrestricted Funds of £108,642 (2024 - £103,111), and Restricted funds of £13,674 (2024 - £37,687).

The largest source of funding remains grants received from the Arts Council England.

The directors do not look to generate a particular level of unrestricted funds but to maintain unrestricted reserves so that the charity can meet its financial liabilities as they fall due.

PLANS FOR THE FUTURE

2025-26 will be MMD's first full financial year at its new Birmingham Hippodrome base. Alongside the regular programme of member events and support, major projects include:

- BEAM2025, the UK's industry showcase of new musical theatre, at Birmingham Hippodrome in May 2025.
- Stiles + Drewe Best New Song Prize 2025 - to be held in London in November 2025
- The next Cameron Mackintosh Resident Writer placements at British Youth Music Theatre.
- The third iteration of the Mercury Writers Barn in June 2025.

MMD will continue to find new ways of supporting its members through events and initiatives held both online and in-person, ensuring that there are development opportunities available to writers across the UK and at all stages of their careers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity Constitution and Governing document

The Company is registered as a charitable company limited by guarantee and was incorporated on 30 March 1995. It is governed by Articles of Association adopted on 25 May 2011 and rewritten and adopted September 2020.

It is registered with the Charities Commission under charity number 1045606.

Recruitment and appointment of new trustees

The number of Trustees shall not be less than three but there is no set maximum.

New trustees are identified from time to time and invited to join the Board. They will initially meet with the Chair and the Executive Director. The Board will then vote on their appointment.

Decision making

The Trustees meet for Board meetings every quarter, and more frequently when needed. Subcommittees relating to specific functions and areas such as a Finance Subcommittee also meet when required. There are joint Board meetings with Musical Theatre Network Limited approximately once every two years.

Mercury Musical Developments.

**Report of the Trustees
for the Year Ended 31 March 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Any new trustees are inducted by being given a brief history of the Charity and a summary of its current and planned activities - in addition to a copy of Memorandum and Articles and a meeting with the Executive Director.

Risk management

The trustees regularly consider and review risks and uncertainties that it may face. The principal risk is ensuring continued adequate funding for activities. This risk is mitigated by careful planning and budgeting for events, ensuring sufficient funds and/or sponsorship are available before committing to an event.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03039699 (England and Wales)

Registered Charity number

1045606

Registered office

Birmingham Hippodrome
Hurst Street
Birmingham
B5 4TB

Trustees

S M Gray (resigned 11.12.24)
S Greenhalgh
R J Gwyther
S M Pidcock
S L Reilly
S Srivastava
T J Sutton
D C Tarento
M Eames (appointed 11.12.24)

Independent Examiner

Locke Williams Associates LLP
Chartered Accountants
Studio 2
50-54 St Pauls Square
Birmingham
West Midlands
B3 1QS

Approved by order of the board of trustees on 09 December 2025 and signed on its behalf by:



R J Gwyther - Trustee

Mercury Musical Developments.

Statement of Trustees' Responsibilities for the Year Ended 31 March 2025

The trustees (who are also the directors of Mercury Musical Developments. for the purposes of company law) are responsible for preparing the Report of the Trustees 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. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 those 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 judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

**Independent Examiner's Report to the Trustees of
Mercury Musical Developments.**

Independent examiner's report to the trustees of Mercury Musical Developments. ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



David Williams FCA FCCA

Locke Williams Associates LLP
Chartered Accountants
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50-54 St Pauls Square
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West Midlands
B3 1QS

Date: 09 December 2025

Mercury Musical Developments.

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2025**

	Notes	Unrestricted funds £	Restricted funds £	31.3.25 Total funds £	31.3.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	98,380	-	98,380	103,494
Charitable activities					
Charitable activities	3	76,553	-	76,553	62,136
Other income		-	-	-	64
Total		<u>174,933</u>	<u>-</u>	<u>174,933</u>	<u>165,694</u>
EXPENDITURE ON					
Raising funds	4	11,114	-	11,114	16,479
Charitable activities					
Development of musical theatre		115,407	17,508	132,915	127,861
Education		42,881	6,505	49,386	47,507
Total		<u>169,402</u>	<u>24,013</u>	<u>193,415</u>	<u>191,847</u>
NET INCOME/(EXPENDITURE)		5,531	(24,013)	(18,482)	(26,153)
RECONCILIATION OF FUNDS					
Total funds brought forward		103,111	37,687	140,798	166,951
TOTAL FUNDS CARRIED FORWARD		<u>108,642</u>	<u>13,674</u>	<u>122,316</u>	<u>140,798</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Mercury Musical Developments.

**Balance Sheet
31 March 2025**

	Notes	31.3.25 £	31.3.24 £
FIXED ASSETS			
Tangible assets	10	967	113
CURRENT ASSETS			
Debtors	11	79,660	97,449
Cash at bank and in hand		<u>89,313</u>	<u>80,675</u>
		168,973	178,124
CREDITORS			
Amounts falling due within one year	12	(47,624)	(37,439)
		<u>121,349</u>	<u>140,685</u>
NET CURRENT ASSETS			
		<u>122,316</u>	140,798
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>122,316</u>	<u>140,798</u>
NET ASSETS			
		<u>122,316</u>	<u>140,798</u>
FUNDS	14		
Unrestricted funds		108,642	103,111
Restricted funds		<u>13,674</u>	<u>37,687</u>
TOTAL FUNDS		<u>122,316</u>	<u>140,798</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 09 December 2025 and were signed on its behalf by:

R J Gwyther

R J Gwyther - Trustee

The notes form part of these financial statements

Mercury Musical Developments.

Notes to the Financial Statements for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern for the next 12 months and foreseeable future. The charity holds sufficient reserves to cover grants commitments and operational costs for the next 12 months.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when the Company has entitlement to the income, there is reasonable assurance of receipt and the amount of income can be measured reliably.

Grants are recognised when the charity has entitlement to the funds, the ability to fulfil conditions attached to grants is entirely within the charity's control, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

The costs of generating funds and charitable expenditure comprise staff and other costs directly attributable to an activity and also an allocation of support costs. Where costs have been allocated, this has been done on the basis of salary costs directly attributable to each of the Company's activities. Governance costs are those incurred in compliance with constitutional and statutory requirements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - Straight line over 5 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Mercury Musical Developments.

Notes to the Financial Statements - continued for the Year Ended 31 March 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include receivables and cash at bank, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Other financial liabilities, including payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

2. DONATIONS AND LEGACIES

	31.3.25	31.3.24
	£	£
Donations	3,280	7,654
Grants	<u>95,100</u>	<u>95,840</u>
	<u>98,380</u>	<u>103,494</u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	31.3.25	31.3.24
	£	£
Arts Council - NPO	63,379	63,379
Arts Council - Feasibility Programme	1,221	12,211
The Mackintosh Foundation	5,000	-
Lionel Bart Foundation	5,000	5,000
PRS Foundation	8,000	8,000
Garfield Weston Foundation	10,000	-
Garrick Charitable Trust	-	2,000
Noel Coward Foundation	-	1,750
The Boris Karloff Charitable Foundation	-	1,000
The Fineman Trust	<u>2,500</u>	<u>2,500</u>
	<u>95,100</u>	<u>95,840</u>

3. INCOME FROM CHARITABLE ACTIVITIES

		31.3.25	31.3.24
	Activity	£	£
Membership subscriptions	Charitable activities	39,828	28,200
Event income	Charitable activities	<u>36,725</u>	<u>33,936</u>
		<u>76,553</u>	<u>62,136</u>

4. RAISING FUNDS

	31.3.25	31.3.24
	£	£
Raising donations and legacies		
Staff costs	<u>11,114</u>	<u>16,479</u>

5. SUPPORT COSTS

	Direct activities £	Support costs £	Governance costs £	Totals £
Development of musical theatre	46,547	83,423	2,945	132,915
Education	<u>17,295</u>	<u>30,997</u>	<u>1,094</u>	<u>49,386</u>
	<u>63,842</u>	<u>114,420</u>	<u>4,039</u>	<u>182,301</u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

5. SUPPORT COSTS - continued

Support costs allocated to raising funds relate wholly to salaries. Other support costs are apportioned to differing activities in proportion to the different charitable activities.

Support costs, included in the above, are as follows:

Direct activities

	Development of musical theatre £		Education £	31.3.25	31.3.24
				Total activities £	Total activities £
Creative fees	28,757	10,685		39,442	34,348
Production Staff & Co-Ordination Fees	<u>17,790</u>	<u>6,610</u>		<u>24,400</u>	<u>22,108</u>
	<u>46,547</u>	<u>17,295</u>		<u>63,842</u>	<u>56,456</u>

Support costs

	Development of musical theatre £		Education £	31.3.25	31.3.24
				Total activities £	Total activities £
Salaries	57,348	21,308		78,656	69,499
Social security	1,519	564		2,083	1,946
Pensions	1,352	503		1,855	1,711
Rent	4,316	1,604		5,920	4,300
Office costs	8,681	3,225		11,906	12,093
Other costs	9,988	3,711		13,699	23,945
Depreciation of tangible fixed assets	<u>219</u>	<u>82</u>		<u>301</u>	<u>98</u>
	<u>83,423</u>	<u>30,997</u>		<u>114,420</u>	<u>113,592</u>

Governance costs

	Development of musical theatre £		Education £	31.3.25	31.3.24
				Total activities £	Total activities £
Accountancy and payroll fees	<u>2,945</u>	<u>1,094</u>		<u>4,039</u>	<u>5,320</u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.25	31.3.24
	£	£
Depreciation - owned assets	302	98
Independent Examiners' fees	<u>3,120</u>	<u>3,120</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

8. STAFF COSTS

	31.3.25	31.3.24
	£	£
Wages and salaries	88,789	84,225
Social security costs	2,854	3,351
Other pension costs	<u>2,065</u>	<u>2,059</u>
	<u>93,708</u>	<u>89,635</u>

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

	31.3.25	31.3.24
Office staff	<u>4</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

Included in social security costs are two year's of annual employers allowance claimed and received.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	86,534	16,960	103,494
Charitable activities			
Charitable activities	62,136	-	62,136
Other income	<u>64</u>	<u>-</u>	<u>64</u>
Total	<u>148,734</u>	<u>16,960</u>	<u>165,694</u>
EXPENDITURE ON			
Raising funds	16,479	-	16,479

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Charitable activities			
Development of musical theatre	106,764	21,097	127,861
Education	<u>39,669</u>	<u>7,838</u>	<u>47,507</u>
Total	<u>162,912</u>	<u>28,935</u>	<u>191,847</u>
NET INCOME/(EXPENDITURE)	(14,178)	(11,975)	(26,153)
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	20,117	146,834	166,951
Prior year adjustment	<u>97,173</u>	<u>(97,173)</u>	<u>-</u>
As restated	<u>117,290</u>	<u>49,661</u>	<u>166,951</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>103,112</u></u>	<u><u>37,686</u></u>	<u><u>140,798</u></u>

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office equipment £	Totals £
COST			
At 1 April 2024	3,395	492	3,887
Additions	<u>-</u>	<u>1,156</u>	<u>1,156</u>
At 31 March 2025	<u>3,395</u>	<u>1,648</u>	<u>5,043</u>
DEPRECIATION			
At 1 April 2024	3,395	379	3,774
Charge for year	<u>-</u>	<u>302</u>	<u>302</u>
At 31 March 2025	<u>3,395</u>	<u>681</u>	<u>4,076</u>
NET BOOK VALUE			
At 31 March 2025	<u><u>-</u></u>	<u><u>967</u></u>	<u><u>967</u></u>
At 31 March 2024	<u><u>-</u></u>	<u><u>113</u></u>	<u><u>113</u></u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.25	31.3.24
		£	£
Trade debtors		9,737	1,000
Other debtors		2,544	2,544
Prepayments and accrued income		<u>67,379</u>	<u>93,905</u>
		<u>79,660</u>	<u>97,449</u>

£2,544 of other debtors relates to non-current debtors, which is the office lease deposit.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		31.3.25	31.3.24
		£	£
Social security and other taxes		416	183
Other creditors		23,402	11,596
Accruals and deferred income		<u>23,806</u>	<u>25,660</u>
		<u>47,624</u>	<u>37,439</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS			31.3.25	31.3.24
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Fixed assets	967	-	967	113
Current assets	155,299	13,674	168,973	178,124
Current liabilities	<u>(47,624)</u>	-	<u>(47,624)</u>	<u>(37,439)</u>
	<u>108,642</u>	<u>13,674</u>	<u>122,316</u>	<u>140,798</u>

14. MOVEMENT IN FUNDS			Net movement in funds	At
		At 1.4.24	in funds	31.3.25
		£	£	£
Unrestricted funds				
General fund		78,551	18,761	97,312
Jane Goodman Foundation		<u>24,560</u>	<u>(13,230)</u>	<u>11,330</u>
		103,111	5,531	108,642
Restricted funds				
Mackintosh Foundation 2022-2025		34,648	(20,974)	13,674
ACE Transfer Programme		<u>3,039</u>	<u>(3,039)</u>	<u>-</u>
		<u>37,687</u>	<u>(24,013)</u>	<u>13,674</u>
TOTAL FUNDS		<u>140,798</u>	<u>(18,482)</u>	<u>122,316</u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	174,933	(156,172)	18,761
Jane Goodman Foundation	<u>-</u>	<u>(13,230)</u>	<u>(13,230)</u>
	174,933	(169,402)	5,531
Restricted funds			
Mackintosh Foundation 2022-2025	-	(20,974)	(20,974)
ACE Transfer Programme	<u>-</u>	<u>(3,039)</u>	<u>(3,039)</u>
	<u>-</u>	<u>(24,013)</u>	<u>(24,013)</u>
TOTAL FUNDS	<u>174,933</u>	<u>(193,415)</u>	<u>(18,482)</u>

Comparatives for movement in funds

	At 1.4.23 £	Prior year adjustment £	Net movement in funds £	At 31.3.24 £
Unrestricted funds				
General fund	20,117	61,736	(3,302)	78,551
Jane Goodman Foundation	<u>-</u>	<u>35,437</u>	<u>(10,877)</u>	<u>24,560</u>
	20,117	97,173	(14,179)	103,111
Restricted funds				
Mackintosh Foundation 2022-2025	101,444	(57,794)	(9,002)	34,648
BEAM Showcase 2023	9,953	(3,942)	(6,011)	-
Jane Goodman Foundation	35,437	(35,437)	-	-
ACE Transfer Programme	<u>-</u>	<u>-</u>	<u>3,039</u>	<u>3,039</u>
	<u>146,834</u>	<u>(97,173)</u>	<u>(11,974)</u>	<u>37,687</u>
TOTAL FUNDS	<u>166,951</u>	<u>-</u>	<u>(26,153)</u>	<u>140,798</u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2025**

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	148,734	(152,036)	(3,302)
Jane Goodman Foundation	<u>-</u>	<u>(10,877)</u>	<u>(10,877)</u>
	148,734	(162,913)	(14,179)
Restricted funds			
Mackintosh Foundation 2022-2025	-	(9,002)	(9,002)
BEAM Showcase 2023	4,750	(10,761)	(6,011)
ACE Transfer Programme	<u>12,210</u>	<u>(9,171)</u>	<u>3,039</u>
	<u>16,960</u>	<u>(28,934)</u>	<u>(11,974)</u>
TOTAL FUNDS	<u>165,694</u>	<u>(191,847)</u>	<u>(26,153)</u>

Unrestricted Income Fund - comprises the undistributed income of the charity. The Trustees are free to use these resources in accordance with the objects of this charity.

Restricted Income Funds - comprises donations made to fund the cost of events produced by the Company to advance the education of the public by encouraging the understanding, appreciation and development of musical theatre whilst developing the craft of our members in writing books, music and lyrics for the stage in accordance with the Company's objectives.

15. OTHER FINANCIAL COMMITMENTS

The total amount of financial commitments not included in the balance sheet is £12,565 (2024 - £19,025).

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025.

MERCURY MUSICAL DEVELOPMENTS

England & Wales - Charity number 1045606

Accounts

REGISTERED COMPANY NUMBER: 03039699 (England and Wales)
REGISTERED CHARITY NUMBER: 1045606

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2024
for
Mercury Musical Developments.**

Locke Williams Associates LLP
Chartered Accountants
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Mercury Musical Developments.

**Contents of the Financial Statements
for the Year Ended 31 March 2024**

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Mercury Musical Developments.

Report of the Trustees for the Year Ended 31 March 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Throughout the year the activities of the Charity were the advancing of education of the public by encouraging the understanding, appreciation and development of musical theatre, whilst developing the craft of our members in writing books, music and lyrics for the stage and /or screen. This is done via a variety of showcase and developmental programmes - including Q&As, masterclasses, seminars, workshops, residencies and galas with leading industry figures.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Charity relies upon subscriptions, donations and contributions from Arts Council England to provide its major sources of income.

Public benefit

The Trustees, having regard to the public benefit guidance published by the Charities Commission, in accordance with Section 17 of the Charities Act 2011, consider that the purpose of activities of the charity satisfy the requirements of the public benefit as set out in Section 4 of the same Act.

Mercury Musical Developments.

Report of the Trustees for the Year Ended 31 March 2024

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Mercury Musical Developments (MMD) entered the first year of a new funding period as an Arts Council England National Portfolio Organisation, jointly as a consortium with Musical Theatre Network (MTN). As part of the Arts Council's Transfer programme, in this year the organisations investigated the feasibility of moving their main base outside of London.

BEAM2023

On 25th and 26th May, BEAM2023 was held at Oxford Playhouse. Excerpts from 29 new British musicals in development were showcased in front of an audience of 300+ industry attendees over two days, alongside panel talks and discussions. 188 artists participated including writers, composers, performers and musicians, representing regions and nations across the UK. The vast majority of shows have received interest from the industry attendees - including from the National Theatre, Royal Shakespeare Company, Birmingham Hippodrome, Soho Theatre and the National Theatre of Scotland.

Cameron Mackintosh Resident Composer scheme

Supported by the Cameron Mackintosh Foundation, this scheme gives a musical theatre writer the opportunity to work with a producing theatre or theatre company for six months, assisting on or writing for productions, learning from different departments and receiving resources and time to develop their own production ideas. In 2023 Dylan Townley was selected as Resident Composer for the Octagon Theatre in Bolton and his placement began in the autumn. The National Theatre of Scotland and MAST Mayflower Studios in Southampton were identified as the next host theatres for 2024.

Stiles + Drewe Best New Song Prize 2023

The Best New Song Prize concert was held at The Other Palace, London, in November 2023 and celebrated the songwriting talents of MMD's members. Hosted by Rob Madge, the night featured an array of West End talent and included the 12 finalist songs for the Prize, as well as songs to celebrate the successes recent new British musicals.

Stiles + Drewe Mentorship Award 2023-24

This biennial award involves a year of developmental support for one musical, and in 2023 'The Wife of Michael Cleary' by Maz O'Connor was selected as the recipient. Maz took part in a residential week in France in September receiving mentoring from George Stiles and Anthony Drewe, and the first of two progress sharings took place in November. The award will culminate in a full-length industry showcase in autumn 2024.

Writers Labs

Advanced Lab I and Lab II are peer-led writing groups for MMD members, creating a friendly and supportive space for writers to share their work and receive feedback. These meet either bi-monthly or monthly, sometimes online and sometimes in-person.

Supporting female writers

Thanks to funding from the Jane Goodman Charitable Trust, in 2023 MMD launched the Jane Goodman Writing Fund, an opportunity for female/non-binary writers to apply for small grants to help develop their work or skills, and the Mercury Writers Barn, a five-day retreat for female writers to find a supportive community, enhance their industry knowledge and learn useful skills tools for writing and navigating their careers.

Book, Music & Lyrics

MMD continues to work with and support Book, Music & Lyrics (BML), a craft-based educational programme for musical theatre writers and the only one of its kind in the UK.

Website and Musicals Resource Hub

In quarter 4 MMD and MTN both launched new websites, designed by Sparrow Digital, as well as a joint Musicals Resource Hub, accessible to members of both organisations. The Resource Hub contains hundreds of videos, audio recordings and articles that can be used as learning tools, including recordings from many past events featuring distinguished industry speakers. In addition, the Hub provides discounts to shows, archived listings of British new musicals and a place to apply for MMD and MTN opportunities. This online hub provides enormous added benefit of membership.

Mercury Musical Developments.

Report of the Trustees for the Year Ended 31 March 2024

Member Events and Support

Funded by the Lionel Bart Foundation, MMD runs a year-round programme of events for members including open mic nights, masterclasses, panel talks, Q&A sessions, discounts on theatre tickets and members' socials. Support for members includes legal advice, industry signposting and script-reading services.

Equality and Diversity Policy and Action Plan

Action points throughout 2023-24 included:

- Ensuring that the judging pools for all opportunities included a diverse range of industry professionals across gender, ethnicity, age and discipline.
- Partnering on the Musical Theatre Darkroom, produced by China Plate, to increase support for musical theatre writers of global majority heritages.
- Initiating several projects funded by the Jane Goodman Charitable Trust to support and champion female/non-binary writers and address the gender imbalance in the industry.
- Sending our opportunities to a wider range of partners to ensure they reach currently underrepresented artists
- Review data collected from MTN & MMD membership and event attendees and use to inform plans for targeting membership drive to further diversify membership

Membership

The membership continues to grow in response to the organisation listening to members and sector needs and offering a wide range of attractive opportunities. After restructuring membership categories in April 2023, launching the new website and Resource Hub and launching several new opportunities throughout the year, membership income achieved 133% of its target for 2023-24.

FINANCIAL REVIEW

Financial review

The statement of financial activities for the year is set out on page 9 and when considered with the notes to the accounts, shows a year in which our ongoing running costs, combined with the net outturn from the events in the year, continued to be covered by our membership income, donations and funding from the Arts Council England.

Reserves policy

At the year end the total funds were valued at £140,798 (2023 - £166,951), which consisted of Unrestricted Funds of £103,111 (2023 as restated - £117,290), and Restricted funds of £37,687 (2023 as restated - £49,661). The largest source of funding remains grants received from the Arts Council England.

The directors do not look to generate a particular level of unrestricted funds but to maintain unrestricted reserves so that the charity can meet its financial liabilities as they fall due.

PLANS FOR THE FUTURE

In 2024-25, MMD will be investigating options for relocating its main office outside of London as part of the Arts Council's Transfer programme. Alongside the regular programme of member events and support, major projects for 2023-24 include:

- The UK Musical Theatre Conference, produced jointly with MTN, held at the Royal Court in London in April 2024
- Stiles + Drewe Best New Song Prize 2024 - to be held in London in December 2024
- Pitching days for BEAM2025 held across the UK in Autumn 2024
- The next Cameron Mackintosh Resident Composer placements at National Theatre of Scotland and MAST Mayflower Studios

MMD will continue to find new ways of supporting its members through events and initiatives held both online and in-person, ensuring that there are development opportunities available to writers across the UK and at all stages of their careers.

Mercury Musical Developments.

Report of the Trustees for the Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity Constitution and Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Company is registered as a charitable company limited by guarantee and was incorporated on 30 March 1995. It is governed by Articles of Association adopted on 25 May 2011 and rewritten and adopted September 2020.

It is registered with the Charities Commission under charity number 1045606.

Recruitment and appointment of new trustees

The number of Trustees shall not be less than three but there is no set maximum.

New trustees are identified from time to time and invited to join the Board. They will initially meet with the Chair and the Executive Director. The Board will then vote on their appointment.

Decision making

The Trustees meet for Board meetings every quarter, and more frequently when needed. Subcommittees relating to specific functions and areas such as a Finance Subcommittee also meet when required. There are joint Board meetings with Musical Theatre Network Limited approximately once every two years.

Induction and training of new trustees

Any new trustees are inducted by being given a brief history of the Charity and a summary of its current and planned activities - in addition to a copy of Memorandum and Articles and a meeting with the Executive Director.

Risk management

The trustees regularly consider and review risks and uncertainties that it may face. The principal risk is ensuring continued adequate funding for activities. This risk is mitigated by careful planning and budgeting for events, ensuring sufficient funds and/or sponsorship are available before committing to an event.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03039699 (England and Wales)

Registered Charity number

1045606

Registered office

Birmingham Hippodrome
Hurst Street
Birmingham
B5 4TB

Trustees

S M Gray
S Greenhalgh (appointed 28.6.23)
R J Gwyther
S M Pidcock
S L Reilly
S Srivastava
T J Sutton
D C Tarento

Mercury Musical Developments.

**Report of the Trustees
for the Year Ended 31 March 2024**

Independent Examiner

Locke Williams Associates LLP
Chartered Accountants
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Mercury Musical Developments. for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

Approved by order of the board of trustees on 26/11/2024

and signed on its behalf by:



R J Gwyther - Trustee

**Independent Examiner's Report to the Trustees of
Mercury Musical Developments.**

Independent examiner's report to the trustees of Mercury Musical Developments. ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



David Williams FCA FCCA

Locke Williams Associates LLP
Chartered Accountants
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Date: 26/11/2024

Mercury Musical Developments.

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2024**

	Notes	Unrestricted funds £	Restricted funds £	31.3.24 Total funds £	31.3.23 Total funds as restated £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	86,535	16,960	103,495	138,619
Charitable activities	3				
Charitable activities		62,136	-	62,136	40,402
Other income		<u>64</u>	-	<u>64</u>	-
Total		<u>148,735</u>	<u>16,960</u>	<u>165,695</u>	<u>179,021</u>
EXPENDITURE ON					
Raising funds	4	16,479	-	16,479	15,729
Charitable activities					
Development of musical theatre		106,765	21,097	127,862	110,890
Education		<u>39,670</u>	<u>7,837</u>	<u>47,507</u>	<u>41,216</u>
Total		<u>162,914</u>	<u>28,934</u>	<u>191,848</u>	<u>167,835</u>
NET INCOME/(EXPENDITURE)		(14,179)	(11,974)	(26,153)	11,186
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		20,117	146,834	166,951	155,765
Prior year adjustment	10	<u>97,173</u>	<u>(97,173)</u>	<u>-</u>	-
As restated		117,290	49,661	166,951	155,765
TOTAL FUNDS CARRIED FORWARD		<u>103,111</u>	<u>37,687</u>	<u>140,798</u>	<u>166,951</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Mercury Musical Developments.

Balance Sheet 31 March 2024

	Notes	31.3.24 £	31.3.23 as restated £
FIXED ASSETS			
Tangible assets	11	113	165
CURRENT ASSETS			
Debtors	12	97,449	120,878
Cash at bank and in hand		<u>80,675</u>	<u>75,273</u>
		178,124	196,151
CREDITORS			
Amounts falling due within one year	13	(37,439)	(29,365)
		<u>140,685</u>	<u>166,786</u>
NET CURRENT ASSETS			
		140,685	166,786
TOTAL ASSETS LESS CURRENT LIABILITIES		140,798	166,951
NET ASSETS		140,798	<u>166,951</u>
FUNDS	15		
Unrestricted funds		103,111	117,290
Restricted funds		<u>37,687</u>	<u>49,661</u>
TOTAL FUNDS		140,798	<u>166,951</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 26/11/2024 and were signed on its behalf by:



R J Gwyther - Trustee

The notes form part of these financial statements

Mercury Musical Developments.

Notes to the Financial Statements for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern for the next 12 months and foreseeable future. The charity holds sufficient reserves to cover grants commitments and operational costs for the next 12 months.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when the Company has entitlement to the income, there is reasonable assurance of receipt and the amount of income can be measured reliably.

Grants are recognised when the charity has entitlement to the funds, the ability to fulfil conditions attached to grants is entirely within the charity's control, it is probable that the income will be received and the amount can be measured reliably.

Membership income is recognised in relation to the period that the membership includes. Memberships collected are apportioned over a twelve month period and any period falling beyond the year end date is deferred as a liability.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

The costs of generating funds and charitable expenditure comprise staff and other costs directly attributable to an activity and also an allocation of support costs. Where costs have been allocated, this has been done on the basis of salary costs directly attributable to each of the Company's activities. Governance costs are those incurred in compliance with constitutional and statutory requirements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - Straight line over 5 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

Mercury Musical Developments.

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include receivables and cash at bank, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Other financial liabilities, including payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

2. DONATIONS AND LEGACIES

	31.3.24	31.3.23 as restated
	£	£
Donations	7,655	9,741
Grants	<u>95,840</u>	<u>128,878</u>
	<u>103,495</u>	<u>138,619</u>

In the 2023 comparatives, £20,500 has been re-classified from Donations to Grants.

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	31.3.24	31.3.23 as restated
	£	£
Arts Council - NPO	63,379	63,378
Arts Council - Feasibility Programme	12,211	-
The Mackintosh Foundation	-	45,000
Lionel Bart Foundation	5,000	5,000
Garrick Charitable Trust	2,000	-
Noel Coward Foundation	1,750	-
PRS Foundation	8,000	13,250
The Boris Karloff Charitable Foundation	1,000	-
The Fineman Trust	2,500	2,000
Doris Field Charitable Trust	-	250
	<u>95,840</u>	<u>128,878</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31.3.24	31.3.23 as restated
	£	£
Membership subscriptions	28,200	31,149
Event income	33,936	9,253
	<u>62,136</u>	<u>40,402</u>

The following is a reconciliation of membership subscriptions received and recognised as income in the year:

	£	£
Membership subscriptions collected in the year	35,296	27,505
Released from deferred income (collected last year)	10,966	14,610
Added to deferred income (collected this year for future periods)	(18,061)	(10,966)
	<u>28,200</u>	<u>31,149</u>

4. RAISING FUNDS

Raising donations and legacies

	31.3.24	31.3.23 as restated
	£	£
Staff costs	16,479	15,729

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct activities £	Support costs £	Governance costs £	Totals £
Development of musical theatre	41,162	82,821	3,879	127,862
Education	15,294	30,772	1,441	47,507
	<u>56,456</u>	<u>113,593</u>	<u>5,320</u>	<u>175,369</u>

Support costs allocated to raising funds relate wholly to salaries. Other support costs are apportioned to differing activities in proportion to the different charitable activities.

Costs included in the above, are as follows:

Direct activities

	Development of musical theatre £	Education £	Total activities £	Total activities £
Creative fees	25,043	9,305	34,348	36,995
Production Staff & Co-Ordination Fees	16,119	5,989	22,108	20,552
	<u>41,162</u>	<u>15,294</u>	<u>56,456</u>	<u>57,547</u>

31.3.24

31.3.23
as restated

Support costs

	Development of musical theatre £	Education £	Total activities £	Total activities £
Salaries	50,672	18,827	69,499	58,861
Social security	1,419	527	1,946	1,244
Pensions	1,248	463	1,711	1,678
Rent	3,135	1,165	4,300	6,174
Office costs	8,817	3,276	12,093	9,951
Other costs	17,530	6,514	24,044	12,093
	<u>82,821</u>	<u>30,772</u>	<u>113,593</u>	<u>90,001</u>

31.3.24

31.3.23
as restated

Governance costs

	Development of musical theatre £	Education £	Total activities £	Total activities £
Accountancy and payroll fees	3,879	1,441	5,320	4,558

31.3.24

31.3.23
as restated

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.24	31.3.23 as restated
	£	£
Depreciation - owned assets	98	86
Independent Examiners' fees	<u>3,120</u>	<u>3,960</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

8. STAFF COSTS

	31.3.24	31.3.23 as restated
	£	£
Wages and salaries	84,225	74,590
Social security costs	3,351	1,244
Other pension costs	<u>2,059</u>	<u>1,678</u>
	<u>89,635</u>	<u>77,512</u>

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

	31.3.24	31.3.23 as restated
Office staff	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	77,719	60,900	138,619
Charitable activities			
Charitable activities	<u>40,402</u>	<u>-</u>	<u>40,402</u>
Total	<u>118,121</u>	<u>60,900</u>	<u>179,021</u>
EXPENDITURE ON			
Raising funds	15,729	-	15,729
Charitable activities			
Development of musical theatre	84,987	25,903	110,890
Education	<u>31,592</u>	<u>9,624</u>	<u>41,216</u>
Total	<u>132,308</u>	<u>35,527</u>	<u>167,835</u>
NET INCOME/(EXPENDITURE)	(14,187)	25,373	11,186
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	34,304	121,461	155,765
Prior year adjustment	<u>97,173</u>	<u>(97,173)</u>	<u>-</u>
As restated	<u>131,477</u>	<u>24,288</u>	<u>155,765</u>
TOTAL FUNDS CARRIED FORWARD	<u>117,290</u>	<u>49,661</u>	<u>166,951</u>

10. PRIOR YEAR ADJUSTMENT

The prior year adjustments are to restate the split of funds, between restricted and unrestricted, the total amount of funds remains unchanged from the those stated in the prior year.

Further details of the individual changes to funds are given in the notes to the accounts.

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office equipment £	Totals £
COST			
At 1 April 2023	3,395	446	3,841
Additions	<u>-</u>	<u>46</u>	<u>46</u>
At 31 March 2024	<u>3,395</u>	<u>492</u>	<u>3,887</u>
DEPRECIATION			
At 1 April 2023	3,395	281	3,676
Charge for year	<u>-</u>	<u>98</u>	<u>98</u>
At 31 March 2024	<u>3,395</u>	<u>379</u>	<u>3,774</u>
NET BOOK VALUE			
At 31 March 2024	<u>-</u>	<u>113</u>	<u>113</u>
At 31 March 2023	<u>-</u>	<u>165</u>	<u>165</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 as restated £
Trade debtors	1,000	-
Other debtors	2,544	2,544
Prepayments and accrued income	<u>93,905</u>	<u>118,334</u>
	<u>97,449</u>	<u>120,878</u>

£2,544 of other debtors relates to non-current debtors, which is the office lease deposit.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 as restated £
Social security and other taxes	183	-
Other creditors	11,596	10,699
Accruals and deferred income	<u>25,660</u>	<u>18,666</u>
	<u>37,439</u>	<u>29,365</u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total funds	31.3.24	
	£	£	£	£	31.3.23 as restated
	£	£	£	£	Total funds £
Fixed assets	113	-	113	113	165
Current assets	140,437	37,687	178,124	178,124	196,151
Current liabilities	<u>(37,439)</u>	<u>-</u>	<u>(37,439)</u>	<u>(37,439)</u>	<u>(29,365)</u>
	<u>103,111</u>	<u>37,687</u>	<u>140,798</u>	<u>140,798</u>	<u>166,951</u>

15. MOVEMENT IN FUNDS

	At 1.4.23	Prior year adjustment	Net movement in funds	At 31.3.24
	£	£	£	£
Unrestricted funds				
General fund	20,117	61,736	(3,302)	78,551
Jane Goodman Foundation	<u>-</u>	<u>35,437</u>	<u>(10,877)</u>	<u>24,560</u>
	20,117	97,173	(14,179)	103,111
Restricted funds				
Mackintosh Foundation 2022-2025	101,444	(57,794)	(9,002)	34,648
BEAM Showcase 2023	9,953	(3,942)	(6,011)	-
Jane Goodman Foundation	35,437	(35,437)	-	-
ACE Transfer Programme	<u>-</u>	<u>-</u>	<u>3,039</u>	<u>3,039</u>
	<u>146,834</u>	<u>(97,173)</u>	<u>(11,974)</u>	<u>37,687</u>
TOTAL FUNDS	<u>166,951</u>	<u>-</u>	<u>(26,153)</u>	<u>140,798</u>

Prior year figures have been adjusted as previously overhead costs were not being allocated against restricted funds and balances were carrying over from year to year after the projects had finished, leading to overstated fund balances. The Jane Goodman Foundation fund has been reallocated from restricted fund to designated fund, within unrestricted funds, in agreement with the funder.

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	148,735	(152,037)	(3,302)
Jane Goodman Foundation	<u>-</u>	<u>(10,877)</u>	<u>(10,877)</u>
	148,735	(162,914)	(14,179)
Restricted funds			
Mackintosh Foundation 2022-2025	-	(9,002)	(9,002)
BEAM Showcase 2023	4,750	(10,761)	(6,011)
ACE Transfer Programme	<u>12,210</u>	<u>(9,171)</u>	<u>3,039</u>
	<u>16,960</u>	<u>(28,934)</u>	<u>(11,974)</u>
TOTAL FUNDS	<u>165,695</u>	<u>(191,848)</u>	<u>(26,153)</u>

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds					
General fund	34,304	61,736	(14,187)	-	81,853
Jane Goodman Foundation	-	35,437	-	-	35,437
	<u>34,304</u>	<u>97,173</u>	<u>(14,187)</u>	<u>-</u>	<u>117,290</u>
Restricted funds					
Mackintosh Foundation 2022-2025	70,819	(57,794)	30,625	-	43,650
BEAM Showcase 2023	(14,246)	(3,942)	6,011	18,188	6,011
BEAM Follow/Spot Jane Goodman Foundation	18,188	-	-	(18,188)	-
	<u>46,700</u>	<u>(35,437)</u>	<u>(11,263)</u>	<u>-</u>	<u>-</u>
	<u>121,461</u>	<u>(97,173)</u>	<u>25,373</u>	<u>-</u>	<u>49,661</u>
TOTAL FUNDS	<u><u>155,765</u></u>	<u><u>-</u></u>	<u><u>11,186</u></u>	<u><u>-</u></u>	<u><u>166,951</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	118,121	(132,308)	(14,187)
Restricted funds			
Mackintosh Foundation 2022-2025	45,000	(14,375)	30,625
BEAM Showcase 2023	15,900	(9,889)	6,011
Jane Goodman Foundation	-	(11,263)	(11,263)
	<u>60,900</u>	<u>(35,527)</u>	<u>25,373</u>
TOTAL FUNDS	<u><u>179,021</u></u>	<u><u>(167,835)</u></u>	<u><u>11,186</u></u>

Unrestricted Income Fund - comprises the undistributed income of the charity. The Trustees are free to use these resources in accordance with the objects of this charity.

Restricted Income Funds - comprises donations made to fund the cost of events produced by the Company to advance the education of the public by encouraging the understanding, appreciation and development of musical theatre whilst developing the craft of our members in writing books, music and lyrics for the stage in accordance with the Company's objectives.

Mercury Musical Developments.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

16. OTHER FINANCIAL COMMITMENTS

The total amount of financial commitments not included in the balance sheet is £19,025 (2023 - £1,742).

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

MERCURY MUSICAL DEVELOPMENTS

England & Wales - Charity number 1045606

Accounts

MERCURY MUSICAL DEVELOPMENTS

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

MERCURY MUSICAL DEVELOPMENTS

I N D E X

Year ended 31 March 2023

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Balance sheet	9
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MERCURY MUSICAL DEVELOPMENTS

R E P O R T O F T H E T R U S T E E S

Year ended 31 March 2023

The Trustees present their report and financial statements of the charity for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and with the Companies Act 2006, The Charities Act 2011 and the 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 (FRS102) (effective 1 January 2019).

Structure, governance and management

The Company is registered as a charitable company limited by guarantee and was incorporated on 30 March 1995. It is governed by Articles of Association adopted on 25 May 2011 and rewritten and adopted September 2020.

It is registered with the Charities Commission under charity number 1045606.

The Trustees meet for Board meetings every quarter, and more frequently when needed. Subcommittees relating to specific functions and areas such as a Finance Subcommittee also meet when required. There is usually one joint Board meeting with Musical Theatre Network Limited each year.

Recruitment and appointment of the Trustee Board

The number of Trustees shall not be less than three but there is no set maximum.

New trustees are identified from time to time and invited to join the Board. They will initially meet with the Chair and then the Executive Director. The Board will then vote on their appointment.

The Trustees during the period covered by this 2022-23 report were as follows:

S Gray
R Gwyther (appointed 5 May 2022)
T Howard (resigned 14 March 2023)
S Pidcock
O Okai
S Reilly (appointed 5 May 2022)
S Srivastav
T Sutton
D Tarento

Trustee induction and training

Any new trustees are inducted by being given a brief history of the Charity and a summary of its current and planned activities – in addition to a copy of the business plan and a meeting with the Executive Director.

Objectives and activities for the public benefit

Throughout the year the activities of the Charity were the advancing of education of the public by encouraging the understanding, appreciation and development of musical theatre, whilst developing the craft of our members in writing books, music and lyrics for the stage and /or screen. This is done via a variety of showcase and developmental programmes – including Q&As, masterclasses, seminars, workshops, residencies and galas with leading industry figures.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Charity relies upon subscriptions, donations and contributions from Arts Council England to provide its major sources of income.

The Trustees, having regard to the public benefit guidance published by the Charities Commission, in accordance with Section 17 of the Charities Act 2011, consider that the purpose of activities of the charity satisfy the requirements of the public benefit as set out in Section 4 of the same Act.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2023

Achievements and performance

Mercury Musical Developments (MMD) entered its fifth year as an Arts Council England Sector Support Organisation (S.S.O) with Musical Theatre Network (MTN), covering a five-year period from 2018-2023. In November 2022 funding was awarded as an NPO (Transfer) organisation for the 2023-2026 funding period.

UK Musical Theatre Conference

A joint venture project with Musical Theatre Network, the 2022 Conference was held at Birmingham Hippodrome in May. The first Conference post-pandemic and the first to be held outside London, attendance was strong with industry professionals from around the UK travelling to attend. The day consisted of panel discussion on topics such as Community Engagement, Staging Prospects, Inclusivity and Biographical Musicals.

BEAM2023 – pitching days

In the lead up to BEAM2023, the UK's largest showcase of new musical theatre, in autumn 2022 the MMD and MTN teams travelled around the UK to find the most exciting new musicals in development. 21 pitching days were held in 19 venues, in locations such as Bolton, Edinburgh, Cardiff, Corby, Birmingham, Salford, Exeter, Harlow, Leeds and London. A total of 275 musicals were pitched, of which 29 were selected for BEAM. In a new development for this year's pitching days, every team received written feedback from the panel regarding their pitch and the development of their show.

Stiles + Drewe Best New Song Prize 2022

The Best New Song Prize concert was held at The Other Palace, London, in November 2022 and celebrated MMD's 30th anniversary. Hosted by Janie Dee, the night featured an array of West End talent and included the 12 finalist songs for the Prize, as well as music to celebrate the successes of MMD members past and present.

Musical Theatre Darkroom

In partnership with China Plate, Royal & Derngate, Birmingham Hippodrome and Musical Theatre Network, the 2022 Musical Theatre Darkroom was held in Northampton in July. Three creative teams of global majority heritage spent a week working on their musicals under the guidance of Fred Carl and Robert Lee from NYU's Tisch School of the Arts. These three teams would then go on to present their shows at BEAM2023.

Cameron Mackintosh Resident Composer scheme

Supported by the Cameron Mackintosh Foundation, this scheme gives a musical theatre writer the opportunity to work with a producing theatre or theatre company for six months, assisting on or writing for productions, learning from different departments and receiving resources and time to develop their own production ideas. In 2022 Finn Anderson finished his placement at the Hope Mill Theatre and the Lowry in Manchester, while Jordan Paul Clarke completed his placement at British Youth Music Theatre. In a new development, the first placement for a writing team, at Theatr Clwyd in Wales, was awarded to composer/lyricist duo Amir Shoenfeld and Caitlyn Burt. Funding has been secured for a further four placements, to take place in 2022-2025.

Writers Labs

Advanced Lab I and Lab II are peer-led writing groups for MMD members, creating a friendly and supportive space for writers to share their work and receive feedback. These meet either bi-monthly or monthly, sometimes online and sometimes in-person.

Supporting female writers

Thanks to funding from the Jane Goodman Charitable Trust, in 2022 MMD commissioned a research project to look into the gender balance of composers, lyricists and librettists with shows staged at London and regional theatres in that year. The statistics showed that 74% of credited writers were male. In response to this MMD opened applications for two projects to take place in early 2023: the Jane Goodman Writing Fund, awarding grants to female/non-binary writers, and the Mercury Writers Barn, a five-day retreat for female writers to grow their skills, confidence and networks.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2023

Book, Music & Lyrics

MMD continues to work with and support Book, Music & Lyrics (BML), a craft-based educational programme for musical theatre writers and the only one of its kind in the UK.

Member Events and Support

Funded by the Lionel Bart Foundation, MMD runs a year-round programme of events for members including open mic nights, masterclasses, panel talks, Q&A sessions, discounts on theatre tickets and members' socials. Support for members includes legal advice, industry signposting and script-reading services.

Equality and Diversity Policy and Action Plan

Action points throughout 2022-23 included:

- Appointing Artist Development Managers for the BEAM pitching days to widen our reach to new communities and promote the pitching days as an accessible industry entry-point, as well as providing development feedback to every team that pitched.
- Sending our opportunities to a wider range of partners to ensure they reach currently underrepresented artists
- Ensuring that the judging pools for all opportunities included a diverse range of industry professionals across gender, ethnicity, age and discipline.
- Partnering on the Musical Theatre Darkroom, produced by China Plate, to increase support for musical theatre writers of global majority heritages.
- Initiating several projects funded by the Jane Goodman Charitable Trust to support and champion female/non-binary writers and address the gender imbalance in the industry.

Membership

The membership continues to grow in response to the organisation listening to members and sector needs and offering a wide range of attractive opportunities. Quarters 3 and 4 in particular saw large numbers of new members joining as a result of the BEAM pitching days (Q3) and opportunities to apply for such as the Stiles + Drewe Mentorship Award and the Jane Goodman Writing Fund (Q4).

Financial review

At the year end the total funds were valued at £166,951 (2022 - £155,765), which consisted of Unrestricted Funds of £20,117 (2022 - £34,304), and Restricted funds of £146,834 (2022 - £121,461). The largest source of funding remains grants received from the Arts Council England.

The statement of financial activities for the year is set out on page 8 and when considered with the notes to the accounts, shows a year in which our ongoing running costs, combined with the net outturn from the events in the year, continued to be covered by our membership income, donations and funding from the Arts Council England.

Plans for the future

Post-year end, MMD has decided to relocate its main office outside of London as part of the Arts Council's Transfer programme and will be implementing this in 2024-25. Alongside the regular programme of member events and support, major projects for 2023-24 include:

- BEAM2023 showcase, co-produced with Musical Theatre Network, in May 2023 at Oxford Playhouse.
- Stiles + Drewe Best New Song Prize 2023 - a concert to be held in London in Autumn 2023
- Mercury Writers Barn, a new retreat for female writers
- Stiles + Drewe Mentorship Award, a year-long programme of support for one show and writing team
- The next Cameron Mackintosh Resident Composer placement, to be held at the Octagon Theatre in Bolton
-

MMD will continue to find new ways of supporting its members through events and initiatives held both online and in-person, ensuring that there are development opportunities available to writers across the UK and at all stages of their careers.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2023

Reserves policy

The directors do not look to generate a particular level of unrestricted funds but to maintain unrestricted reserves so that the charity can meet its financial liabilities as they fall due.

Risk management

The Trustees regularly consider and review risks and uncertainties that it may face. The principal risk is ensuring continued adequate funding for activities. This risk is mitigated by careful planning and budgeting for events, ensuring sufficient funds and/or sponsorship are available before committing to an event.

Reference and administrative details

Trustees

S Gray
S Greenhalgh (appointed 28 June 2023)
R Gwyther
S Pidcock
S Reilly
S Srivastav
T Sutton
D Tarento

Company number

03039699

Registered charity number

1045606

Registered address

34 Grosvenor Gardens
London
SW1W 0DH

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2023

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare the financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Declaration

I declare in my capacity of charity Trustee that:

The Trustees have approved the report above and have authorised me to sign it on their behalf.



R GWYTHER
Trustee

22/12/2023
Date.....

MERCURY MUSICAL DEVELOPMENTS

I N D E P E N D E N T E X A M I N E R ' S R E P O R T

Year ended 31 March 2023

Independent examiner's report to the trustees of Mercury Musical Developments

I report to the trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). You are satisfied that an audit is not required for this year under charity or company law and that an independent examination is needed.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by The Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no 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.



S M Rose ACA CTA

Dixon Wilson

22 Chancery Lane

London WC2A 1LS

22 December 2023

MERCURY MUSICAL DEVELOPMENTS

STATEMENT OF FINANCIAL ACTIVITIES (including an income and expenditure account)

Year ended 31 March 2023

	Note	Unrestricted Income Fund £	Restricted Income Fund £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:					
Donations and legacies	3	77,719	60,900	138,619	118,856
Charitable activities	4	40,402	-	40,402	31,738
Total income		<u>118,121</u>	<u>60,900</u>	<u>179,021</u>	<u>150,594</u>
Expenditure on:					
Raising funds		15,729	-	15,729	15,789
Charitable activities		116,579	35,527	152,106	167,909
Total resources expended	6	<u>132,308</u>	<u>35,527</u>	<u>167,835</u>	<u>183,698</u>
Net (expenditure)/income		<u>(14,187)</u>	<u>25,373</u>	<u>11,186</u>	<u>(33,104)</u>
Net movement in funds		<u>(14,187)</u>	<u>25,373</u>	<u>11,186</u>	<u>(33,104)</u>
Total funds at 31 March 2022		<u>34,304</u>	<u>121,461</u>	<u>155,765</u>	<u>188,869</u>
Total funds at 31 March 2023		<u>20,117</u>	<u>146,834</u>	<u>166,951</u>	<u>155,765</u>

All amounts were derived from continuing activities. All gains and losses recognised in the year are included above.

BALANCE SHEET

At 31 March 2023

	Note	Total funds 2023 £	Total funds 2022 £
Fixed assets			
Tangible assets	9	165	222
		<u>165</u>	<u>222</u>
Current assets			
Debtors	10	120,878	112,480
Cash at bank and in hand		75,273	92,241
		<u>196,151</u>	<u>204,721</u>
Liabilities:			
Creditors: amounts falling due within one year	11	(29,365)	(49,178)
Net current assets		<u>166,786</u>	<u>155,543</u>
Net assets			
		<u>166,951</u>	<u>155,765</u>
Funds			
Unrestricted income reserve		20,117	34,304
Restricted income fund	13	146,834	121,461
		<u>166,951</u>	<u>155,765</u>

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 447 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 8 to 16 were approved by the Trustees on 22/12/ 2023 and were signed on their behalf by:-

R J Gwyther

R GWYTHER
Trustee

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

1. Accounting policies

The principal accounting policies adopted, judgement and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

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 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Mercury Musical Developments 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 note.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern for the next 12 months and foreseeable future. The charity holds sufficient reserves to cover grants commitments and operational costs for the next 12 months.

(b) Fund accounting policy

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

The restricted fund are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Incoming resources

All income is recognised in the statement of financial activities when Mercury Musical Developments has entitlement to the income, it is probable that the income will be received and the amount of the income can be measured reliably.

Donations are recognised when the Company has entitlement to the income, there is reasonable assurance of receipt and the amount of income can be measured reliably.

Grants are recognised when the charity has entitlement to the funds, the ability to fulfil conditions attached to grants is entirely within the charity's control, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. For further information on the allocation and apportionment of governance and support costs across these categories, refer to note 6 below.

The costs of generating funds and charitable expenditure comprise staff and other costs directly attributable to an activity and also an allocation of support costs. Where costs have been allocated, this has been done on the basis of salary costs directly attributable to each of the Company's activities. Governance costs are those incurred in compliance with constitutional and statutory requirements.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

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

Asset class	Depreciation method and rate
Fixtures and Fittings	Straight line over 5 years

(f) Fund Accounting

Details of the nature of each fund are set out in note 12.

(g) Financial instruments

Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include receivables and cash at bank, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Other financial liabilities, including payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

2. Status

The Company is limited by guarantee with no share capital and is incorporated in England and Wales.

The address of its registered office is:

34 Grosvenor Gardens
London
SW1W 0DH

3. Income from donations and legacies

	Unrestricted Income Fund £	Restricted Income Fund £	Total 2023 £	Total 2022 £
Donations	14,341	15,900	30,241	29,043
Grants	63,378	45,000	108,378	89,813
	<u>77,719</u>	<u>60,900</u>	<u>138,619</u>	<u>118,856</u>

In 2022, of the £29,043 of donation income, £12,175 was restricted.

In 2022, of the £89,813 of grant income, £24,434 was restricted.

4. Income from charitable activities

Event income	9,253	-	9,253	20,726
Membership subscriptions	31,149	-	31,149	11,012
	<u>40,402</u>	<u>-</u>	<u>40,402</u>	<u>31,738</u>

In 2022, of the £20,726 of event income, £1,127 was restricted.

In 2022, of the £11,012 of membership subscriptions income, £nil was restricted.

5. Net income/(expenditure) and net movements in funds have been stated after charging:

	2023 £	2022 £
Independent examiners fees	<u>3,960</u>	<u>2,750</u>

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

6. Analysis of resources expended	Direct activities £	Support costs £	Total 2023 £	Total 2022 £
Costs of generating funds				
Membership Officer	-	15,729	15,729	15,789
Charitable activities				
Development of musical theatre	41,954	68,936	110,890	129,205
Education	15,593	25,623	41,216	38,704
	<u>57,547</u>	<u>110,288</u>	<u>167,835</u>	<u>183,698</u>

In 2022, of the £15,789 costs of generating funds £nil was restricted.

In 2022, of the £167,909 charitable activities expenditure, £45,507 was restricted.

Analysis of support costs

	Membership Officer £	Development of musical theatre £	Education £	Total 2023 £	Total 2022 £
Salaries, wages and related costs (see note 8)	15,729	45,042	16,741	77,512	79,998
Hospitality and travel costs	-	8,815	3,278	12,093	10,811
Rent	-	4,501	1,673	6,174	3,725
Office costs	-	7,255	2,696	9,951	11,870
Governance costs (see note 7)	-	3,323	1,235	4,558	4,298
	<u>15,729</u>	<u>68,936</u>	<u>25,623</u>	<u>110,288</u>	<u>110,702</u>

Support costs allocated to the Membership officer relate wholly to salaries. Other support costs are apportioned to differing activities in proportion to the different charitable activities.

7. Governance costs	2023 £	2022 £
Accountancy and payroll fees	<u>4,558</u>	<u>4,289</u>

During the year, the Trustees did not receive any remuneration or reimbursement of expenses.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

8. Staff costs	2023	2022
The average number of persons employed by the charity during the year was:		
Office staff	3	3
	<u> </u>	<u> </u>
	£	£
Gross wages	74,640	76,287
Employer's NIC	1,244	2,305
Pension	1,678	1,406
Legal and professional fees	(50)	-
	<u>77,512</u>	<u>79,998</u>

A total of 3 staff were under employment during the year.

The Company considered its key management personnel to be the Executive Director. The total salary and employment benefits including employer pension contributions of the key management personnel was £38,477 (2022 - £39,423).

The number of employees whose salaries were above £60,000 was nil (2022 - nil).

9. Tangible fixed assets	Fixtures and fittings	Office equipment	Total
Cost or valuation	£	£	£
At 1 April 2022	3,395	417	3,812
Additions	-	29	29
At 31 March 2023	<u>3,395</u>	<u>446</u>	<u>3,841</u>
Depreciation			
At 1 April 2022	3,395	195	3,590
Charge for the year	-	86	86
At 31 March 2023	<u>3,395</u>	<u>281</u>	<u>3,676</u>
Net book value			
At 31 March 2023	<u>-</u>	<u>165</u>	<u>165</u>
At 31 March 2022	<u>-</u>	<u>222</u>	<u>222</u>

10. Debtors	2023	2022
	£	£
Other debtors	2,544	2,544
Accrued income	118,334	109,936
	<u>120,878</u>	<u>112,480</u>

Details of non-current other debtors

£2,544 of other debtors relates to non-current debtors, which is the office lease deposit.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

11. Creditors: amounts falling due within one year	2023	2022
	£	£
Other creditors	10,699	13,846
Accruals and deferred income	18,666	35,332
	<u>29,365</u>	<u>49,178</u>

12. Funds

Unrestricted Income Fund - comprises the undistributed income of the charity. The Trustees are free to use these resources in accordance with the objects of this charity.

Restricted Income Fund - comprises donations made to fund the cost of events produced by the Company to advance the education of the public by encouraging the understanding, appreciation and development of musical theatre whilst developing the craft of our members in writing books, music and lyrics for the stage in accordance with the Company's objectives.

13. Restricted funds

	Mackintosh Foundation	BEAM Showcase	BEAM Follow/spot	Jane Goodman Foundation	Total 2023	Total 2022
	£	£	£	£	£	£
Brought forward funds	70,819	(14,246)	18,188	46,700	121,461	128,782
Transfers between funds	-	18,188	(18,188)	-	-	-
Income arising in the year	45,000	15,900	-	-	60,900	37,736
Expenses paid during the year	(14,375)	(9,889)	-	(11,263)	(35,527)	(45,057)
Carried forward funds	<u>101,444</u>	<u>9,953</u>	<u>-</u>	<u>35,437</u>	<u>146,834</u>	<u>121,461</u>

The BEAM Showcase fund was in deficit as a result of expenditure in the prior year. Under the SORP it is acceptable to charge expenditure to this fund while in deficit, as the Trustees have a realistic expectation that future income will be received from this fund to cover the shortfall. The BEAM Follow/spot restricted fund has been amalgamated with the BEAM Showcase fund in accordance with the funding following the cessation of the Follow/spot project. All BEAM funding will now be shown under one restricted fund.

14. Analysis of funds between net assets

	Tangible Fixed assets	Net current assets	Total 2023	Total 2022
	£	£	£	£
Unrestricted fund	165	19,952	20,117	34,304
Restricted funds	-	146,834	146,834	121,461
Total funds	<u>165</u>	<u>166,786</u>	<u>166,951</u>	<u>155,765</u>

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

15. Financial instruments

The Charity financial instruments comprise of other financial assets, which comprise debtors of £120,878 (2022 - £112,480) and other financial liabilities of £18,626 (2022 - £31,364), which comprise other creditors measured at amortised cost.

16. Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £1,742 (2022 - £7,740). This relates to the rental payments due for the lease of office space up until 31 December 2023.

Of this amount, 50% will be recharged to Musical Theatre Network Limited who share the office space.

MERCURY MUSICAL DEVELOPMENTS

England & Wales - Charity number 1045606

Accounts

MERCURY MUSICAL DEVELOPMENTS

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

MERCURY MUSICAL DEVELOPMENTS

I N D E X

Year ended 31 March 2022

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Notes to the financial statements	11

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES

Year ended 31 March 2022

The Trustees present their report and financial statements of the charity for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and with the Companies Act 2006, The Charities Act 2011 and the 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 (FRS102) (effective 1 January 2019).

Structure, governance and management

The Company is registered as a charitable company limited by guarantee and was incorporated on 30 March 1995. It is governed by Articles of Association adopted on 25 May 2011 and rewritten and adopted September 2020.

It is registered with the Charities Commission under charity number 1045606.

The Trustees meet for Board meetings every quarter, and more frequently when needed. Subcommittees relating to specific functions and areas such as a Finance Subcommittee also meet when required. There is usually one joint Board meeting with Musical Theatre Network Limited each year.

Recruitment and appointment of the Trustee Board

The number of Trustees shall not be less than three but there is no set maximum.

Trustee induction and training

Emily Gray, as Executive Director, was in charge of day-to-day management of the charity. She left in April 2022 and the Executive Director is now Natalia Scorer. She reports to the Trustees, with regular contact with the Chair. MMD employs a Membership Manager and an Administration Manager who report to the Executive Director.

New trustees are identified from time to time and invited to join the Board. They will initially meet with the Chair and then the Executive Director. The Board will then vote on their appointment.

The Trustees during the period covered by this 2021/22 report were as follows:

R Fairhead (resigned 5 May 2022)
D Farrow (resigned 23 June 2021)
P Fineman (resigned 7 December 2021)
S M Gray
T Howard
F Matthews (resigned 7 December 2021)
S Pidcock
O Okai
M Shenton (resigned 7 December 2021)
S Srivastav
T Sutton
D Tarento

Any new trustees are inducted by being given a brief history of the Charity and a summary of its current and planned activities – in addition to a copy of the business plan and a meeting with the Executive Director.

Objectives and activities for the public benefit

Throughout the year the activities of the Charity were the advancing of education of the public by encouraging the understanding, appreciation and development of musical theatre, whilst developing the craft of our members in writing books, music and lyrics for the stage and /or screen. This is done via a variety of showcase and developmental programmes – including Q&As, masterclasses, seminars, workshops, residencies and galas with leading industry figures.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2022

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Charity relies upon subscriptions, donations and contributions from Arts Council England to provide its major sources of income.

The Trustees, having regard to the public benefit guidance published by the Charities Commission, in accordance with Section 17 of the Charities Act 2011, consider that the purpose of activities of the charity satisfy the requirements of the public benefit as set out in Section 4 of the same Act.

Achievements and performance

Mercury Musical Developments (MMD) entered its fourth year as an Arts Council England Sector Support Organisation (S.S.O) with Musical Theatre Network (MTN), covering a five-year period from 2018-2023. MMD proved its resilience over the past two years during the pandemic; it has survived without additional financial support, continued to deliver the majority of its work online or in hybrid form, expanded its membership and successfully fundraised for and delivered its flagship events, BEAM2021 and the Stiles + Drewe Best New Song Prize.

BEAM2021

After the cancellation of BEAM2020, to be held in Northampton, plans were reconfigured so that the selected writing teams could still present their projects at BEAM. A one-day event was held at Hackney Empire in September 2021 with excerpts from 21 shows presented to an audience of industry figures, alongside two panel discussions. The shows presented reflected a wide diversity of styles, subject matters, stages of development and creative team backgrounds and heritages. The event was livestreamed, so there was a hybrid audience of in-person and streaming attendees.

MT Spotlights

Funded by an ACE Project Grant, MMD and MTN supported 15 artist teams to create a ten minute filmed pitch of their musical, as well as one-minute pitches, films of their songs and snippets of their material to use on social media. The high-quality professional filming and editing made this an extremely valuable opportunity and resource to help the artists showcase and promote their work. This project gave 228 days of employment to freelance artists and gave 37 writers a development and recording opportunity.

Stiles + Drewe Best New Song Prize

After being held online in 2020, the 2021 Song Prize was held at Hackney Empire directly following BEAM. Twelve finalist songs had been selected from 170 submissions and the songs were performed by professional singers, accompanied by a band. This year particular effort was made to ensure that the finalist writers received support with their song development and arrangement, and the writers were consulted on song casting and interpretation.

Stiles + Drewe Mentorship Award

Selected from 74 applications, the recipient of the 2021-22 Mentorship Award was Omar Baroud and his musical 'After Elijah'. Omar began his mentorship in December 2021 with a week's residency with George Stiles and Anthony Drewe, followed by two Progress Labs in early 2022. The Mentorship will culminate in a professionally directed and cast industry showcase in July 2022. In 2020 Omar almost left the profession but a Keep Writing bursary from MMD enabled him to stay connected with the writing community and ensured he had the motivation to finish writing his show and enter for the Mentorship Award.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2022

“MMD has been so crucial in supporting me, and opening doors that I never thought would be opened so quickly. I don’t think I would have finished my first draft if not for their encouragement, and now with the bursary, there was the Stiles + Drewe Mentorship Award. And I’m so incredibly happy I decided to apply, as finishing the first draft and then going on to win the mentorship has been one of the best things that has happened to me as a writer. The strangest thing is thinking that this whole experience could have been missed if MMD didn’t remind me how much love and support was there ready for when I needed it. There’s a very clear change in my journey as a writer from the moment I joined MMD, and I would recommend it highly to anyone with the slightest of an idea for a musical.”

Omar Baroud

Youth Music Project

With thanks to funding from the PRS Foundation and Youth Music, in Autumn 2021 MMD ran a project for young music makers from the global majority aged 16-25, in collaboration with Hackney Empire’s education department. BEAM writers Anoushka Lucas and Gerel Falconer led six sessions helping the participants develop their ideas for a musical and writing a song that captures the main theme/characters in their shows. This culminated in a live sharing of the songs and ideas in front of an audience, and the songs being recorded at Rising Tide Studios. The most positive element for the young people has been re-connecting them with their writing skills and they all reflected on this being the creative activity they needed coming out of the pandemic; they want to stay connected to MMD and they will be encouraged to pitch for the next BEAM in Autumn 2022.

Writers Labs

Advanced Lab I and Lab II are peer-led writing groups for MMD members, creating a friendly and supportive space for writers to share their work and receive feedback. These meet either bi-monthly or monthly, sometimes online and sometimes in-person.

The PRS-funded Labs for writers in Scotland and the North of England continued throughout 2021.

Cameron Mackintosh Resident Composer scheme

Supported by the Cameron Mackintosh Foundation, this scheme gives a musical theatre writer the opportunity to work with a producing theatre or theatre company for six months, assisting on or writing for productions, learning from different departments and receiving resources and time to develop their own production ideas. In early 2022 Finn Anderson began his placement at the Hope Mill Theatre and the Lowry in Manchester (postponed from 2020), while Jordan Paul Clark began his placement at British Youth Music Theatre. The first placement for a writing team, to be held at at Theatr Clwyd in Wales, was awarded to composer/lyricist duo Amir Shoenfeld and Caitlyn Burt, and will take place in 2022-23.

“At the beginning of our careers, MMD was a safe haven to explore and learn, while fostering important industry connections with new collaborative partners and colleagues. A few years on, MMD continues to be an invaluable source of professional support, development opportunities and community. Most importantly, MMD is the heart of the UK’s musical theatre new writing community, always eager, uplifting and responsive in supporting their members.”

Amir Shoenfeld and Caitlyn Burt

Hosking Houses Trust and Jane Goodman Charitable Trust

Thanks to a new relationship with Hosking Houses Trust, which provides month-long residencies to female writers at a cottage near Stratford-upon-Avon, MMD awarded paid residencies to two writers in 2021, with another three to follow in 2022. The 2022 residencies are made possible by funding from the Jane Goodman Charitable Trust who has granted MMD funding for the next five years for projects to support female musical theatre writers.

Book, Music & Lyrics

MMD continues to work with and support Book, Music & Lyrics (BML), a craft-based educational programme for musical theatre writers and the only one of its kind in the UK. Working in collaboration with BML, MMD presented a series of online talks and interviews with well-known musical theatre practitioners in New York, entitled Voices from New York, which began in 2020-21 and continued into 2021-22.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2022

Equality and Diversity Policy and Action Plan

Action points throughout 2021-22 included:

- Successful anonymising of the applications for the Stiles & Drewe Best New Song Prize and Cameron Mackintosh Resident Composer Scheme
- Sending our opportunities to a wider range of partners to ensure they reach currently underrepresented artists
- Gathering of data for the Mentorship Award with an increased percentage of applications from writers of underrepresented cultural heritages than the Song Prize 2020.
- Hosting the highly successful PRS Foundation funded development lab for writers from diverse cultural heritages, in May 2021, including an online discussion with the mentors
- The successful application for an ACE Project Grant to fund a research project into ethnic diversity in musical theatre, led by Rachel Victor-Sampson in partnership with Inc Arts and MMD.

Membership

The membership continues to grow in response to the organisation listening to members and sector needs and constantly working to diversify and broaden definitions of and accessibility to the new musical theatre landscape. In 2020-21 MMD switched membership systems to a CRM software, with the aim of organising member data and subscriptions in a GDPR-compliant and more efficient way.

In summary, MMD delivers Profile Projects such as BEAM and the Stiles + Drewe Prizes, Writer Development Programmes such as the Cameron Mackintosh Composer Residencies, Hosking Houses Residencies, writers' labs, masterclasses, workshops, and ongoing Sector Support such as panel discussions, drop ins, open mic nights, open labs, advice sessions, table reads, funding support and mentoring services.

Financial review

At the year end the total funds were valued at £155,765 (2021 - £188,869), which consisted of Unrestricted Funds of £34,304 (2021 - £60,087), and Restricted funds of £121,461 (2021 - £128,782). The principal source of funding remains grants received from the Arts Council England.

The statement of financial activities for the year is set out on page 9 and when considered with the notes to the accounts, shows a year in which our ongoing running costs, combined with the net outturn from the events in the year, continued to be covered by our membership income, donations and funding from the Arts Council England.

Plans for the future

Major projects for 2022-23 include:

- Pitching days for BEAM2023. These will be held across the UK and will give hundreds of creatives the opportunity to pitch their musical or idea to an industry panel. For the first time, with funding from the PRS Foundation, every team who pitches will receive bespoke feedback on their pitch and show.
- The UK Musical Theatre Conference, to be held in May 2022 at Birmingham Hippodrome.
- The Stiles + Drewe Best New Song Prize and MMD 30th Anniversary - a concert event to be held in London in Autumn 2022, comprising both the 2022 Song Prize and a celebration of MMD's 30th anniversary.
- A regular programme of events open to all members, including the revival of the Lionel Bart Memorial Masterclasses.
- The Musical Theatre Darkroom, to be held in Summer 2022 in partnership with China Plate, Birmingham Hippodrome and Northampton Royal & Derngate, providing a week of mentorship to writers from the global majority, led by NYU's Fred Carl and Robert Lee
- The continuation of Cameron Mackintosh Resident Composer Placements at Hope Mill/the Lowry, BYMT and Theatr Clwyd.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2022

MMD will continue to find new ways of supporting its members through events and initiatives held both online and in-person, ensuring that there are development opportunities available to writers across the UK and at all stages of their careers.

Reserves policy

The directors do not look to generate a particular level of unrestricted funds but to maintain unrestricted reserves so that the charity can meet its financial liabilities as they fall due.

Risk management

The Trustees regularly consider and review risks and uncertainties that it may face. The principal risk is ensuring continued adequate funding for activities. This risk is mitigated by careful planning and budgeting for events, ensuring sufficient funds and/or sponsorship are available before committing to an event.

Reference and administrative details

Trustees

S M Gray
R Gwyther (appointed 5 May 2022)
T Howard
F Matthews
S Pidcock
O Okai
S Reilly (appointed 5 May 2022)
S Srivastav
T Sutton
D Tarento

Company number

03039699

Registered charity number

1045606

Registered address

34 Grosvenor Gardens
London
SW1W 0DH

MERCURY MUSICAL DEVELOPMENTS

R E P O R T O F T H E T R U S T E E S (c o n t i n u e d)

Year ended 31 March 2022

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare the financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Declaration

I declare in my capacity of charity Trustee that:

The Trustees have approved the report above and have authorised me to sign it on their behalf.



R GWYTHER
Trustee

Date.....23/12/2022

MERCURY MUSICAL DEVELOPMENTS

I N D E P E N D E N T E X A M I N E R ' S R E P O R T

Year ended 31 March 2022

Independent examiner's report to the trustees of Mercury Musical Developments

I report to the trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). You are satisfied that an audit is not required for this year under charity or company law and that an independent examination is needed.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by The Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.


Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no 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.


S M Rose ACA CTA
Dixon Wilson
22 Chancery Lane
London WC2A 1LS
23 December 2022

MERCURY MUSICAL DEVELOPMENTS

STATEMENT OF FINANCIAL ACTIVITIES (including an income and expenditure account)

Year ended 31 March 2022

	Unrestricted Income Fund £	Restricted Income Fund £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:				
Donations and legacies	3 82,247	36,609	118,856	131,487
Charitable activities	4 30,611	1,727	31,738	32,080
Total income	<u>112,858</u>	<u>37,736</u>	<u>150,594</u>	<u>163,567</u>
Expenditure on:				
Raising funds	15,789	-	15,789	9,071
Charitable activities	122,852	45,057	167,909	100,344
Total resources expended	6 <u>138,641</u>	<u>45,057</u>	<u>183,698</u>	<u>109,415</u>
Net (expenditure)/income	<u>(25,783)</u>	<u>(7,321)</u>	<u>(33,104)</u>	<u>54,152</u>
Net movement in funds	<u>(25,783)</u>	<u>(7,321)</u>	<u>(33,104)</u>	<u>54,152</u>
Total funds at 31 March 2021	60,087	128,782	188,869	134,717
Total funds at 31 March 2022	<u>34,304</u>	<u>121,461</u>	<u>155,765</u>	<u>188,869</u>

All amounts were derived from continuing activities. All gains and losses recognised in the year are included above.

BALANCE SHEET

At 31 March 2022

	Note	Total funds 2022 £	Total funds 2021 £
Fixed assets			
Tangible assets	9	222	302
		<u>222</u>	<u>302</u>
Current assets			
Debtors	10	112,480	110,961
Cash at bank and in hand		92,241	112,865
		<u>204,721</u>	<u>223,826</u>
Liabilities:			
Creditors: amounts falling due within one year	11	(49,178)	(35,259)
Net current assets		<u>155,543</u>	<u>188,567</u>
Net assets		<u>155,765</u>	<u>188,869</u>
Funds			
Unrestricted income reserve		34,304	60,087
Restricted income fund	13	121,461	128,782
		<u>155,765</u>	<u>188,869</u>

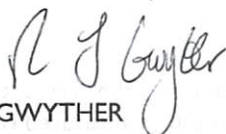
For the year ending 31 March 2022 the company was entitled to exemption from audit under section 447 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 9 to 17 were approved by the Trustees on 23/12 2022 and were signed on their behalf by:-


R GWYTHER
Trustee

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

I. Accounting policies

The principal accounting policies adopted, judgement and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

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 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Mercury Musical Developments 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 note.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern for the next 12 months and foreseeable future. The charity holds sufficient reserves to cover grants commitments and operational costs for the next 12 months.

(b) Fund accounting policy

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

The restricted fund are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Incoming resources

All income is recognised in the statement of financial activities when Mercury Musical Developments has entitlement to the income, it is probable that the income will be received and the amount of the income can be measured reliably.

Donations are recognised when the Company has entitlement to the income, there is reasonable assurance of receipt and the amount of income can be measured reliably.

Grants are recognised when the charity has entitlement to the funds, the ability to fulfil conditions attached to grants is entirely within the charity's control, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. For further information on the allocation and apportionment of governance and support costs across these categories, refer to note 6 below.

The costs of generating funds and charitable expenditure comprise staff and other costs directly attributable to an activity and also an allocation of support costs. Where costs have been allocated, this has been done on the basis of salary costs directly attributable to each of the Company's activities. Governance costs are those incurred in compliance with constitutional and statutory requirements.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

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

Asset class	Depreciation method and rate
Fixtures and Fittings	Straight line over 5 years

(f) Fund Accounting

Details of the nature of each fund are set out in note 12.

(g) Financial instruments

Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include receivables and cash at bank, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Other financial liabilities, including payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

2. Status

The Company is limited by guarantee with no share capital and is incorporated in England and Wales.

The address of its registered office is:

34 Grosvenor Gardens
London
SW1W 0DH

3. Income from donations and legacies

	Unrestricted Income Fund £	Restricted Income Fund £	Total 2022 £	Total 2021 £
Donations	16,868	12,175	29,043	16,108
Grants	65,379	24,434	89,813	115,379
	<u>82,247</u>	<u>36,609</u>	<u>118,856</u>	<u>131,487</u>

In 2021, of the £16,108 of donation income, £375 was restricted.

In 2021, of the £115,379 of grant income, £50,000 was restricted.

4. Income from charitable activities

Event income	19,599	1,127	20,726	5,998
Membership subscriptions	11,012	-	11,012	26,082
	<u>30,611</u>	<u>1,127</u>	<u>31,738</u>	<u>32,080</u>

In 2021, of the £5,998 of event income, £nil was restricted.

In 2021, of the £26,082 of membership subscriptions income, £nil was restricted.

5. Net income/(expenditure) and net movements in funds have been stated after charging:

	2022 £	2021 £
Independent examiners fees	<u>2,750</u>	<u>2,750</u>

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

6. Analysis of resources expended	Direct activities	Support costs	Total 2022	Total 2021
	£	£	£	£
Costs of generating funds				
Membership Officer	-	15,789	15,789	9,071
Charitable activities				
Development of musical theatre	56,171	73,034	129,205	67,715
Education	16,825	21,879	38,704	32,629
	<u>72,996</u>	<u>110,702</u>	<u>183,698</u>	<u>109,415</u>

In 2021, of the £9,071 costs of generating funds £nil was restricted.

In 2021, of the £100,344 charitable activities expenditure, £400 was restricted.

Analysis of support costs

	Membership Officer	Development of musical theatre	Education	Total 2022	Total 2021
	£	£	£	£	£
Salaries, wages and related costs (see note 8)	15,789	49,409	14,800	79,998	69,404
Hospitality and travel costs	-	8,318	2,493	10,811	198
Rent	-	2,866	859	3,725	7,632
Office costs	-	9,134	2,736	11,870	6,179
Governance costs (see note 7)	-	3,307	991	4,298	4,332
	<u>15,789</u>	<u>73,307</u>	<u>21,879</u>	<u>110,702</u>	<u>87,745</u>

Support costs allocated to the Membership officer relate wholly to salaries. Other support costs are apportioned to differing activities in proportion to the different charitable activities.

7. Governance costs	2022	2021
	£	£
Accountancy and payroll fees	4,289	4,332
	<u>4,289</u>	<u>4,332</u>

During the year, the Trustees did not receive any remuneration or reimbursement of expenses.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

8. Staff costs	2022	2021
The average number of persons employed by the charity during the year was:		
Office staff	3	3
	£	£
Gross wages	76,287	66,638
Employer's NIC	2,305	1,428
Pension	1,406	788
Legal and professional fees	-	550
	<u>79,998</u>	<u>69,404</u>

A total of 3 staff were under employment during the year.

The Company considered its key management personnel to be the Executive Director. The total salary and employment benefits including employer pension contributions of the key management personnel was £39,423 (2021 - £38,631).

The number of employees whose salaries were above £60,000 was nil (2021 - nil).

9. Tangible fixed assets	Fixtures and fittings	Office equipment	Total
Cost or valuation	£	£	£
At 1 April 2021	3,395	414	3,809
Additions	-	3	3
At 31 March 2022	<u>3,395</u>	<u>417</u>	<u>3,811</u>
Depreciation			
At 1 April 2021	3,395	112	3,507
Charge for the year	-	83	83
At 31 March 2022	<u>3,395</u>	<u>195</u>	<u>3,590</u>
Net book value			
At 31 March 2022	<u>-</u>	<u>222</u>	<u>222</u>
At 31 March 2021	<u>-</u>	<u>302</u>	<u>302</u>

10. Debtors	2022	2021
	£	£
Other debtors	2,544	2,544
Accrued income	109,936	108,417
	<u>109,480</u>	<u>110,961</u>

Details of non-current other debtors

£2,544 of other debtors relates to non-current debtors, which is the office lease deposit.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

11. Creditors: amounts falling due within one year	2022	2021
	£	£
Other creditors	13,846	17,081
Accruals and deferred income	35,332	18,178
	<u>49,178</u>	<u>35,259</u>

12. Funds

Unrestricted Income Fund - comprises the undistributed income of the charity. The Trustees are free to use these resources in accordance with the objects of this charity.

Restricted Income Fund - comprises donations made to fund the cost of events produced by the Company to advance the education of the public by encouraging the understanding, appreciation and development of musical theatre whilst developing the craft of our members in writing books, music and lyrics for the stage in accordance with the Company's objectives.

13. Restricted funds

	Mackintosh Foundation	BEAM Showcase	BEAM Follow/spot	Jane Goodman Foundation	Total 2022	Total 2021
	£	£	£	£	£	£
Brought forward funds	65,703	(3,649)	16,728	50,000	128,782	78,807
Income arising in the year	10,984	12,902	13,850	-	37,736	50,375
Expenses paid during the year	(5,868)	(23,499)	(12,390)	(3,300)	(45,057)	(400)
Carried forward funds	<u>70,819</u>	<u>(14,246)</u>	<u>18,188</u>	<u>46,700</u>	<u>121,461</u>	<u>128,782</u>

The BEAM Showcase fund is in deficit as a result of expenditure in the year. Under the SORP it is acceptable to charge expenditure to this fund while in deficit, as the Trustees have a realistic expectation that future income will be received from this fund to cover the shortfall.

14. Analysis of funds between net assets

	Tangible Fixed assets	Net current assets	Total 2022	Total 2021
	£	£	£	£
Unrestricted fund	222	34,082	34,304	60,087
Restricted funds	-	121,461	121,461	128,782
Total funds	<u>222</u>	<u>155,543</u>	<u>155,765</u>	<u>188,869</u>

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

15. Financial instruments

The Charity financial instruments comprise of other financial assets, which comprise debtors of £112,480 (2021 - £110,961) and other financial liabilities of £31,364 (2021 - £32,476), which comprise other creditors measured at amortised cost.

16. Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £7,740 (2021 - £13,738). This relates to the rental payments due for the lease of office space up until 31 December 2022.

Of this amount, 50% will be recharged to Musical Theatre Network Limited who share the office space.

MERCURY MUSICAL DEVELOPMENTS

England & Wales - Charity number 1045606

Accounts

MERCURY MUSICAL DEVELOPMENTS

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

MERCURY MUSICAL DEVELOPMENTS

I N D E X

Year ended 31 March 2021

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Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES

Year ended 31 March 2021

The Trustees present their report and financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and with the Companies Act 2006, The Charities Act 2011 and the 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 (FRS102) (effective 1 January 2019).

Structure, governance and management

The Company is registered as a charitable company limited by guarantee and was incorporated on 30 March 1995. It is governed by Articles of Association adopted on 25 May 2011 and rewritten and adopted 20 November 2020.

It is registered with the Charities Commission under charity number 1045606.

The Trustees meet for Board meetings every quarter, and more frequently when needed. Subcommittees relating to specific functions and areas such as a Finance Subcommittee also meet when required. There is usually one joint Board meeting with Musical Theatre Network Limited each year.

Recruitment and appointment of the Trustee Board

The number of Trustees shall not be less than three but there is no set maximum.

Trustee induction and training

Emily Gray, as Executive Director, is in charge of day-to-day management of the charity. She reports to the Trustees, with regular contact with the Chair. MMD employs a Membership Manager and an Administration Manager who report to the Executive Director.

New trustees are identified from time to time and invited to join the Board. They will initially meet with the Chair and then the Executive Director. The Board will then vote on their appointment.

The Trustees during the period covered by this 2020-21 report were as follows:

J Benjamin (resigned 1 December 2020)
A Cork (resigned 1 December 2020)
A Drewe (resigned 1 December 2020)
R Fairhead
D Farrow (resigned 23 June 2021)
P Fineman (resigned 7 December 2021)
S M Gray
T Howard
F Matthews (resigned 7 December 2021)
S Pidcock
O Okai (appointed 30 March 2021)
M Shenton
J Sparks (resigned 1 December 2020)
S Srivastava (appointed 1 December 2020)
G Stiles (resigned 1 December 2020)
T Sutton (appointed 2 June 2020)
D Tarento (appointed 1 December 2020)

Any new trustees are inducted by being given a brief history of the Charity and a summary of its current and planned activities – in addition to a copy of the business plan and a meeting with the Executive Director.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2021

Objectives and activities for the public benefit

Throughout the year the activities of the Charity were the advancing of education of the public by encouraging the understanding, appreciation and development of musical theatre, whilst developing the craft of our members in writing books, music and lyrics for the stage and/or screen. This is done via a variety of showcase and developmental programmes – including Q&As, masterclasses, seminars, workshops, residencies and galas with leading industry figures.

In setting the objectives and planning the activities of the Charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Charity relies upon subscriptions, donations and contributions from Arts Council England to provide its major sources of income.

The Trustees, having regard to the public benefit guidance published by the Charities Commission, in accordance with Section 17 of the Charities Act 2011, consider that the purpose of activities of the charity satisfy the requirements of the public benefit as set out in Section 4 of the same Act.

Achievements and performance

Mercury Musical Developments (MMD) entered its third year as a Sector Support Organisation (S.S.O) with Musical Theatre Network (MTN) covering a five-year period from 2018-2023. At the start of the first 2020 Lockdown, MMD transferred its work, communications and filing systems over to Microsoft Teams and One Drive; the staff team were trained to use the new systems and adapted well to working from home for most of the year. At the start of the year the Trustees and staff updated MMD's Equality & Diversity Action Policy and Plan and continued to monitor and update it at every Board meeting; all applications for opportunities were anonymised and discussions were held on barriers to access and improving workforce diversity in the sector. Writer member Rachel Victor Sampson was invited to present to the Trustees on inclusion and she led a Board discussion on diversification.

At the request of Arts Council England, MMD & MTN together researched and wrote a paper on the Risks and Opportunities for the new Musical Theatre sector, as a result of the Pandemic, which was also shared with PRS.

The highlights of this financial year were The Stiles & Drewe online concert and launching a bursary fundraising campaign called The Keep Writing Fund. MMD's online programme engaged and supported the membership and the wider sector, with monthly panel discussions covering pertinent topics including Tech in Lockdown, Wellbeing in Lockdown, Future Programming of new musicals in venues, Resilience and Resourcefulness in Freelancers and Recording & Distributing Cast Albums. Through effective partnerships MMD delivered a LGBTQ+ panel on Representation in Musical Theatre (MT) with MTPride and a discussion on Cultural Diversity Matters in Musical Theatre with leaders in MT from underrepresented cultural heritages. MMD had prestigious speakers such as Daniel Evans and Tamara Harvey on the panel of Artistic Directors planning new musicals. These online discussions gathered over 2,000 views on MMD and MTN's YouTube channels.

Having delivered BEAM2020 online, folders of the work of all 41 writing teams were created and distributed digitally throughout the summer of 2020. From this, 4 musicals were commissioned, several writers created cast albums, many ran online readings or launches, some shows were shared as outdoor performances and others made into filmed songs or scenes. Throughout the year, MMD held zoom drop ins for BEAM artists and surveyed their progress and ideas in preparation for a hybrid live and live streamed BEAM in 2021.

The Stiles & Drewe Best New Song Prize provided a great opportunity to showcase the work of MMD members through an online concert in July. 16 new songs were self-filmed by West End singers who recorded their performances at home, with the remote support of our Musical Director and Film & Sound Editors. The recorded videos were interlinked by live introductions from the writers and the evening was hosted by Stiles & Drewe. It

was a great success for the writers involved, whose songs have since had over 6,000 views on YouTube. As well as the winning song by Amir Schoenfeld & Matthew Greene, a second prize was awarded to Miranda Cooper, Richard Marsh & Nick Coler, and a new prize for Voice, Vision & Potential was won by Meg McGrady & Zoe Morris. Over £4,200 was raised on the night for the Keep Writing Support Fund and this was then awarded to writers who were unable to afford MMD membership fees.

The Stiles & Drewe Mentorship Award received more applications than ever before, with 74 eligible shows entered. These were anonymised and a diverse set of professional artists, mainly freelancers, were paid to judge the entries. From a shortlist of nine, four teams of writers were interviewed and Omar Baroud won the award, which is a yearlong mentorship with George Stiles & Antony Drewe, including a residency week, two workshops and a public sharing of his show, *After Elijah*. Omar was part of MMD & China Plate's 2019 Residency for underrepresented writers at Royal & Derngate. He then performed one of his songs at the 2020 Stiles & Drewe Song Prize concert. Later in 2020 he almost left the profession and a Keep Writing bursary enabled him to stay connected with the writing community and ensured he had the motivation to finish writing his show, which he then entered for the Mentorship Award and went on to win.

PRS Foundation support enabled two writing groups online, one for Scottish Writers and another for Northern England Writers. These were highly successful with good attendance and two shared discussion sessions with MT specialists, resulting in a show reel being recorded by the Scottish group, and a live sharing pending for the Northern group. PRSF funding also supported a development lab for writers from diverse cultural heritages, led online by experts from the Tisch School, New York University, Fred Carl and Robert Lee. MMD's Lab I became a bi-monthly event online, supporting writers with their work and mental health and wellbeing.

The wider membership was offered regular advice sessions, online table readings and drop ins, often with prestigious guest speakers such as Kenny Wax and Rikki Beadle-Blair. MMD began a new project offering legal advice from the expert on the MMD Board; these sessions have been wholly welcomed by writers and in 2020-21 a total of 29 writers were given advice. Despite the prediction that MMD might lose a third of its members through the pandemic as the result of freelancers suffering so much financial loss, the number of members actually grew, as the need for support, motivation, collaboration and a real valuing of the community became apparent during the lockdowns.

The planned Cameron Mackintosh Resident Composer Residency for Finn Anderson in 2020 had to be postponed due to the closure of MMD's partner venues, Hope Mill and The Lowry. The partners all kept in touch and Finn's residency will begin once the venues are able to offer a fruitful development programme once again. The next residency will be with British Youth Music Theatre (BYMT), to be appointed in 2021.

New projects and partnerships formed in this year include the Hosking Houses Trust (HHT) Residencies. This came from HHT's aim to widen their intake of writers beyond literature and into other forms; HHT offer female identifying & non-binary artists a month in a small cottage near Stratford Upon Avon and a bursary, so they can develop a significant piece of writing. MMD developed an application process and two pilot residencies, funded by the Coral Samuel Charitable Trust, were due to take place in 2020-21. These then had to be postponed until the summer of 2021 due to the pandemic. A second partnership with a production company '10 to 4' saw 17 writers/writing teams commissioned to write songs for a new song cycle called *Random Acts of Kindness*. From an initial open submission, 6 songs were chosen and then a further 11 complimentary songs were commissioned from a diverse range of writers. This project gave work to writers during the pandemic and will be developed post pandemic.

MMD worked with partner company Book, Music, Lyrics (BML) to programme two popular Lyric Writing Masterclasses on Zoom, led by Rebecca Applin and Lynn Ahrens, who is based in New York. The success of Lynn's session then inspired a new series called *Voices from New York*, which involved a NY musical theatre specialist sharing their wisdom and analysing the work of MMD & BML members in an online session every other month throughout 2021. Masters included the legendary, Tony Award winning Stephen Flaherty (*Ragtime*, *Once on this Island*, *Anastasia*) and Amanda Green (*Bring it On*, *High Fidelity*, *Hands on a Hard Body*).

In summary, MMD delivers Profile Projects such as BEAM and The Stiles & Drewe Award, Writer Development Programmes such as the Cameron Mackintosh Composer Residencies, Hosking Houses Residencies, Writers' labs, Masterclasses, Workshops, and ongoing sector support such as panel discussions, drop ins, open mic nights, open labs, advice sessions, table reads, funding support and mentoring services.

The membership continues to grow in response to the organisation listening to members and sector needs and

constantly working to diversify and broaden definitions of and accessibility to the new musical theatre landscape. Being online helped MMD to reach beyond London and offer its programmes to a national and international audience.

Financial review

At the year end the total funds were valued at £188,869 (2020 - £134,717), which consisted of Unrestricted Funds of £60,087 (2020 - £55,910), and Restricted funds of £128,782 (2020 - £78,807). The principal source of funding remains grants received from the Arts Council England.

The statement of financial activities for the year is set out on page 9 and when considered with the notes to the accounts, shows a year in which our ongoing running costs, combined with the net outturn from the events in the year, continued to be covered by our membership income, donations and funding from the Arts Council England.

The BEAM Showcase fund shows a deficit for the year ended 31 March 2021 of £3,649. In accordance with the Charities SORP (FRS102) it is acceptable to carry forward a deficit, as the Trustees have a realistic expectation that future income will be received to cover the shortfall.

Plans for the future

In the next financial year, MMD will continue to build upon the range of developmental and showcase opportunities in the arena of new musical theatre for our members and the wider sector, trialling hybrid models of delivering events online and in person, as the effects of the pandemic start to ease. A major focus of the 2021-22 year will be the live and digital BEAM2021 showcase and The Stiles & Drewe Song Prize. The placements for the Cameron Mackintosh Resident Composer Scheme in Manchester and with BYMT will be prepared and will start when it is possible for the venues. MMD will continue to respond to and support its membership and offer continual communications and support as our industry is rebuilt and reformed post pandemic. MMD aims for a more inclusive sector, with stronger recognition and support for freelancers and a more democratised approach to engaging and developing writers of the future. Significantly MMD will run its first ever project with young writers in developing songs and ideas for musicals, funded by Youth Music and engaging young people from underrepresented heritages and socio-economic backgrounds in Hackney, East London.

Reserves policy

The directors do not look to generate a particular level of unrestricted funds but to maintain unrestricted reserves so that the charity can meet its financial liabilities as they fall due.

Risk management

The Trustees regularly consider and review risks and uncertainties that it may face. The principal risk is ensuring continued adequate funding for activities. This risk is mitigated by careful planning and budgeting for events, ensuring sufficient funds and/or sponsorship are available before committing to an event.

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2021

Reference and administrative details

Trustees	J Benjamin (resigned 1 December 2020) A Cork (resigned 1 December 2020) A Drewe (resigned 1 December 2020) R Fairhead D Farrow (resigned 23 June 2021) P Fineman (resigned 7 December 2021) S M Gray T Howard F Matthews (resigned 7 December 2021) S Pidcock O Okai (appointed 30 March 2021) M Shenton J Sparks (resigned 1 December 2020) S Srivastav (appointed 1 December 2020) G Stiles (resigned 1 December 2020) T Sutton (appointed 2 June 2020) D Tarento (appointed 1 December 2020)
Company secretary	Wellington House Nominees Limited
Company number	03039699
Registered charity number	1045606
Registered address	Wellington House Nominees Limited 55 Drury Lane London WC2B 5RZ

MERCURY MUSICAL DEVELOPMENTS

REPORT OF THE TRUSTEES (continued)

Year ended 31 March 2021

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare the financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

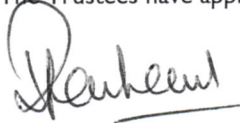
- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Declaration

I declare in my capacity of charity Trustee that:

The Trustees have approved the report above and have authorised me to sign it on their behalf.



R FAIRHEAD
Trustee

Date...17/01/2022

MERCURY MUSICAL DEVELOPMENTS

INDEPENDENT EXAMINER'S REPORT

Year ended 31 March 2021

Independent examiner's report to the trustees of Mercury Musical Developments

I report to the trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). You are satisfied that an audit is not required for this year under charity or company law and that an independent examination is needed.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by The Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

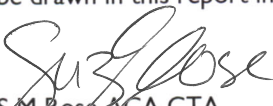
Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no 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.



S M Rose ACA CTA

Dixon Wilson

22 Chancery Lane

London WC2A 1LS

17 January 2022

MERCURY MUSICAL DEVELOPMENTS

STATEMENT OF FINANCIAL ACTIVITIES (including an income and expenditure account)

Year ended 31 March 2021

	Unrestricted Income Fund £	Restricted Income Fund £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:				
Donations and legacies	3 81,112	50,375	131,487	119,206
Charitable activities	4 32,080	-	32,080	56,576
Total income	<u>113,192</u>	<u>50,375</u>	<u>163,567</u>	<u>175,782</u>
Expenditure on:				
Raising funds	9,071	-	9,071	15,153
Charitable activities	99,944	400	100,344	137,949
Total resources expended	6 <u>109,015</u>	<u>400</u>	<u>109,415</u>	<u>153,102</u>
Net income	<u>4,177</u>	<u>49,975</u>	<u>54,152</u>	<u>22,680</u>
Net movement in funds	<u>4,177</u>	<u>49,975</u>	<u>54,152</u>	<u>22,680</u>
Total funds at 31 March 2020	55,910	78,807	134,717	112,037
Total funds at 31 March 2021	<u>60,087</u>	<u>128,782</u>	<u>188,869</u>	<u>134,717</u>

All amounts were derived from continuing activities. All gains and losses recognised in the year are included above.

BALANCE SHEET

At 31 March 2021

	Note	Total funds 2021 £	Total funds 2020 £
Fixed assets			
Tangible assets	9	302	369
		<u>302</u>	<u>369</u>
Current assets			
Debtors	10	110,961	116,066
Cash at bank and in hand		112,865	45,490
		<u>223,826</u>	<u>161,556</u>
Liabilities:			
Creditors: amounts falling due within one year	11	(35,259)	(27,208)
Net current assets		<u>188,567</u>	<u>134,348</u>
Net assets		<u>188,869</u>	<u>134,717</u>
Funds			
Unrestricted income reserve		60,087	55,910
Restricted income fund	13	128,782	78,807
		<u>188,869</u>	<u>134,717</u>

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 447 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 9 to 17 were approved by the Trustees on 17 January 2022 and were signed on their behalf by:-

R FAIRHEAD
Trustee

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

I. Accounting policies

The principal accounting policies adopted, judgement and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation and assessment of going concern

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 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Mercury Musical Developments 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 note.

The impact of the COVID-19 pandemic on the ability of the charity to continue as a going concern has been assessed by the Trustees. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern for the next 12 months and foreseeable future. The charity holds sufficient reserves to cover grants commitments and operational costs for the next 12 months. The financial statements do not include any adjustments that would be necessary if the going concern basis was not appropriate.

(b) Fund accounting policy

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

The restricted fund are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Incoming resources

All income is recognised in the statement of financial activities when Mercury Musical Developments has entitlement to the income, it is probable that the income will be received and the amount of the income can be measured reliably.

Donations are recognised when the Company has entitlement to the income, there is reasonable assurance of receipt and the amount of income can be measured reliably.

Grants are recognised when the charity has entitlement to the funds, the ability to fulfil conditions attached to grants is entirely within the charity's control, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. For further information on the allocation and apportionment of governance and support costs across these categories, refer to note 6 below.

The costs of generating funds and charitable expenditure comprise staff and other costs directly attributable to an activity and also an allocation of support costs. Where costs have been allocated, this has been done on the basis of salary costs directly attributable to each of the Company's activities. Governance costs are those incurred in compliance with constitutional and statutory requirements.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

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

Asset class	Depreciation method and rate
Fixtures and Fittings	Straight line over 5 years

(f) Fund Accounting

Details of the nature of each fund are set out in note 12.

(g) Financial instruments

Financial instruments are recognised in the company's Balance Sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include receivables and cash at bank, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Other financial liabilities, including payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future payments discounted at a market rate of interest.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

2. Status

The Company is limited by guarantee with no share capital and is incorporated in England and Wales.

The address of its registered office is:

55 Drury Lane
London
WC2B 5RZ

3. Income from donations and legacies

	Unrestricted Income Fund £	Restricted Income Fund £	Total 2021 £	Total 2020 £
Donations	15,733	375	16,108	22,058
Grants	65,379	50,000	115,379	97,148
	<u>81,112</u>	<u>50,375</u>	<u>131,487</u>	<u>119,206</u>

In 2020, of the £22,058 of donation income, £9,075 was restricted.

In 2020, of the £97,148 of grant income, £32,914 was restricted.

4. Income from charitable activities

Event income	5,998	-	5,998	30,201
Membership subscriptions	26,082	-	26,082	26,375
	<u>32,080</u>	<u>-</u>	<u>32,080</u>	<u>56,576</u>

In 2020, of the £30,201 of event income, £17,148 was restricted.

In 2020, of the £26,375 of membership subscriptions income, £nil was restricted.

5. Net income and net movements in funds have been stated after charging:

	2021 £	2020 £
Independent examiners fees	<u>2,750</u>	<u>2,750</u>

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

6. Analysis of resources expended	Direct activities £	Support costs £	Total 2021 £	Total 2020 £
Costs of generating funds				
Membership Officer	-	9,071	9,071	15,153
Charitable activities				
Development of musical theatre	8,710	31,622	40,332	103,269
Education	12,960	47,052	60,012	34,680
	<u>21,670</u>	<u>87,745</u>	<u>109,415</u>	<u>153,102</u>

In 2020, of the £15,153 costs of generating funds £nil was restricted.

In 2020, of the £137,949 charitable activities expenditure, £36,161 was restricted.

Analysis of support costs

	Membership Officer £	Development of musical theatre £	Education £	Total 2021 £	Total 2020 £
Salaries, wages and related costs (see note 8)	9,071	24,250	36,084	69,405	75,863
Hospitality and travel costs	-	79	119	198	1,586
Rent	-	3,068	4,564	7,632	3,812
Office costs	-	2,484	3,695	6,179	7,497
Governance costs (see note 7)	-	1,741	2,590	4,331	3,602
	<u>9,071</u>	<u>31,622</u>	<u>47,052</u>	<u>87,745</u>	<u>92,360</u>

Support costs allocated to the Membership officer relate wholly to salaries. Other support costs are apportioned to differing activities in proportion to the different charitable activities.

7. Governance costs	2021 £	2020 £
Accountancy and payroll fees	<u>4,331</u>	<u>3,602</u>

During the year, the Trustees did not receive any remuneration or reimbursement of expenses.

MERCURY MUSICAL DEVELOPMENTS**NOTES TO THE FINANCIAL STATEMENTS****Year ended 31 March 2021**

8. Staff costs	2021	2020
The average number of persons employed by the charity during the year was:		
Office staff	3	3
	£	£
Gross wages	66,639	69,361
Employer's NIC	1,428	4,710
Pension	788	1,792
Legal and professional fees	550	-
	<u>69,405</u>	<u>75,863</u>

A total of 3 staff were under employment during the year.

The Company considered its key management personnel to be the Executive Director. The total salary and employment benefits including employer pension contributions of the key management personnel was £35,113 (2020 - £35,429).

The number of employees whose salaries were above £60,000 was nil (2020 - nil).

9. Tangible fixed assets	Fixtures and fittings	Office equipment	Total
Cost or valuation	£	£	£
At 1 April 2020	3,395	399	3,794
Additions	-	15	15
At 31 March 2021	<u>3,395</u>	<u>414</u>	<u>3,809</u>
Depreciation			
At 1 April 2020	3,395	30	3,425
Charge for the year	-	82	82
At 31 March 2021	<u>3,395</u>	<u>112</u>	<u>3,507</u>
Net book value			
At 31 March 2021	<u>-</u>	<u>302</u>	<u>302</u>
At 31 March 2020	<u>-</u>	<u>369</u>	<u>369</u>

10. Debtors	2021	2020
	£	£
Other debtors	2,544	13,107
Accrued income	108,417	102,959
	<u>110,961</u>	<u>116,066</u>

Details of non-current other debtors

£2,544 of other debtors relates to non-current debtors, which is the office lease deposit.

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

11. Creditors: amounts falling due within one year	2021 £	2020 £
Other creditors	17,081	-
Accruals and deferred income	18,178	27,208
	<u>35,259</u>	<u>27,208</u>

12. Funds

Unrestricted Income Fund - comprises the undistributed income of the charity. The Trustees are free to use these resources in accordance with the objects of this charity.

Restricted Income Fund - comprises donations made to fund the cost of events produced by the charity to advance the education of the public by encouraging the understanding, appreciation and development of musical theatre whilst developing the craft of our members in writing books, music and lyrics for the stage in accordance with the charity's objectives.

13. Restricted funds

	Mackintosh Foundation £	BEAM Showcase £	BEAM Follow/spot £	Jane Goodman Foundation £	Total 2021 £	Total 2020 £
Brought forward funds	65,703	(4,024)	17,128	-	78,807	55,831
Income arising in the year	-	375	-	50,000	50,375	59,137
Expenses paid during the year	-	-	(400)	-	(400)	(36,161)
Carried forward funds	<u>65,703</u>	<u>(3,649)</u>	<u>16,728</u>	<u>50,000</u>	<u>128,782</u>	<u>78,807</u>

The BEAM Showcase fund is in deficit as a result of expenditure in the prior year. Under the SORP it is acceptable to charge expenditure to this fund while in deficit, as the Trustees have a realistic expectation that future income will be received from this fund to cover the shortfall.

14. Analysis of funds between net assets

	Tangible Fixed assets £	Net current assets £	Total 2021 £	Total 2020 £
Unrestricted fund	302	59,785	60,087	55,910
Restricted funds	-	128,782	128,782	78,807
Total funds	<u>302</u>	<u>188,567</u>	<u>188,869</u>	<u>134,717</u>

MERCURY MUSICAL DEVELOPMENTS

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

15. Financial instruments

The Charity financial instruments comprise of other financial assets, which comprise debtors of £110,961 (2020 - £116,066) and other financial liabilities of £17,999 (2020 - £12,660), which comprise other creditors measured at amortised cost.

16. Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £13,738 (2020 - £32,054). This relates to the rental payments due for the lease of office space up until 31 December 2021.

Of this amount, 50% will be recharged to Musical Theatre Network Limited who share the office space.
