

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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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)
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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:

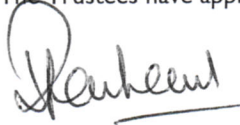
- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

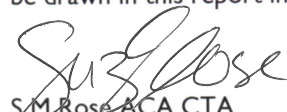
Independent examiner's statement

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

	Note	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.

B A L A N C E S H E E T

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

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 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	-
	69,405	75,863

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	3,395	414	3,809
Depreciation			
At 1 April 2020	3,395	30	3,425
Charge for the year	-	82	82
At 31 March 2021	3,395	112	3,507
Net book value			
At 31 March 2021	-	302	302
At 31 March 2020	-	369	369

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

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.
