

Charity Registration No. 1085708

Company Registration No. 02796427 (England and Wales)

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees & board of directors	V Hargreaves	Chairman
	S Belinfante	Vice Chairman
	F Jones	Treasurer
	A Veazey	Company Secretary
	D Bowen	
	J Hall	
	G G Shankar	
	T Taylor	
	D Kenny	
	J Webster	
Charity number	1085708	
Company number	02796427	
Registered office	Barbican House 31 Barbican Road Gloucester GL1 2JF	
Independent examiner	Griffiths Marshall Beaumont House 172 Southgate Street Gloucester GL1 2EZ	
Advisors	D Aviss	President
	K Winnan	Executive Director
	C Lumsden	Founder
	G Oxley	Artistic Director
Senior staff members	K Winnan	Executive Director
	G Oxley	Artistic Director

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

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GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and financial statements for the year ended 31 August 2020.

Structure, governance and management

Governing document:

Gloucestershire Academy of Music (GAM) is a charitable company limited by guarantee, governed by its memorandum of association adopted on 20 February 1993.

Trustee selection methods:

Trustees are appointed by the members of the company either to fill a casual vacancy or as an addition to the Board of Trustees, provided the prescribed maximum of 10 Trustees is not exceeded. The Trustees in their capacity as members of the company and directors actively and regularly review the composition of the board and the skills represented on it.

Organisational structure:

The Charity operates under a governing Board of Directors consisting of the Trustees. The Artistic Director and Executive Director as well as specialist advisors, such as the President, also attend Board meetings which are held (on average) every other month.

A Finance Committee meets at least 3 times per year and is involved with preparation of the business plan and financial projections.

The day-to-day management of the Charity is delegated to the Executive Director and the Artistic Director.

Trustee induction and training:

Trustee induction is under review.

A Disclosure and Barring Service check is completed for Trustees where deemed necessary in accordance with Government and / or Charity Commission guidelines for charities working with children and / vulnerable adults.

Related parties:

GAM is a partner in the Gloucestershire Music Education Hub (branded as Make Music Gloucestershire), which distributes funding from Arts Council England and is GAM's primary investor. Other investors in 2019/20 were The Architectural Heritage Fund and Brimpsfield Music Society.

GAM worked with 12 external partners throughout the year. GAM's key partnerships were with Cheltenham Festivals, the Carducci String Quartet, The European Union Chamber Orchestra and Gloucestershire Symphony Orchestra (supporting the development and delivery of Gloucestershire Young Musician of the Year). GAM is grateful for its partnership with Dean Close School which accommodates GAM's Saturday afternoon activities and has supported GAM's Inspire project, as well as hosting the Gloucestershire Young Musician of the Year contest. GAM also worked with Gloucester Cathedral Youth Choir on a concert with Inspire. All of our summer term projects were cancelled due to the pandemic.

Risk management:

The Trustees assess risk on a rolling basis and reviewed risk management procedures in 2019/20 as part of an organisational development programme.

The programme of work is set out in a business plan which ensures that the proposed level of activity is within GAM's financial and human resource capabilities. The plan is approved by the Trustees before implementation and projects or programmes are not initiated unless adequately funded.

All personnel, including volunteers, who are in regular contact with children or vulnerable adults are required to undergo an enhanced Disclosure and Barring Service check.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects of the charity:

GAM exists to advance public education by the promotion of the study, practice, knowledge and appreciation of the art or science of music and other performing arts.

GAM's activities were guided by its mission statement for the year, which is to:

- Play a key role, with partners, in ensuring all children and young people in Gloucestershire have access to the proven benefits of music.
- Provide access, development and progression opportunities for children, young people and adults; leading the way in classical music education through working with schools, training music teachers and providing top quality tuition using our holistic, proven teaching approaches.
- Work with partners to build and sustain *Barbican Arts* as an exciting and inclusive performing arts centre that opens up opportunities, enriches lives, sparks new collaborations, develops talent and inspires through engagement with professional artists.

Public benefit:

In planning GAM's activities for the year the Trustees kept in mind the Charity Commission's guidance on public benefit.

The main activities undertaken for public benefit during 2019/20 were:

- a programme of organisational development driven by the aims of improving efficiency, maximising impact and reach through partnership and extending reach and diversifying the range of student beneficiaries
- to plan for an exciting future for Barbican House, GAM's headquarters, to maintain and develop its engagement with a broad cross-section of communities
- whole class, small group and 1-1 tuition in schools, making music accessible to a broader range of children and young people
- sustaining a diverse and attractive programme of group sessions and courses, as well as individual tuition, at GAM's centres in Gloucester and Cheltenham
- development of an inclusion and community engagement programme underpinned by a focus on extending the benefits of music to those for a broader diversity of cultural and ethnic backgrounds
- running a bursary fund to bring down financial barriers to engagement in GAM's services. A fast-track version of our bursary scheme was set up soon after lockdown to assist participants from families facing economic challenges due to the pandemic.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

GAM's reach has been growing year on year. The Covid pandemic of 2020 has affected our school delivery and the number and range of external performances that we have been able to undertake. We are proud that we have provided uninterrupted delivery of our termtime operation through online lessons and group activities. We finished the academic year with a virtual performance of Beethoven's Egmont Overture by Gloucestershire Youth Chamber Orchestra and with an outdoor performance by some of our groups. Despite the lockdown, we achieved the following over the 19/20 year:

- Worked with 1788 participants, aged 3 to 18
- Reached participants from 144 different schools, 19 of which are outside Gloucestershire
- Arranged or took part in 15 public performances
- Reached audiences numbering 2299 in total
- Delivered music activities to 43 schools from all parts of Gloucestershire
- Contracted 57 music leaders to deliver lessons, workshops, courses and masterclasses
- Worked with 12 partner organisations
- Assisted 24 participants through our bursary scheme

Development of Barbican House

The board and GAM team have worked hard to maximise use of Barbican House, welcoming users who share GAM's vision for inclusive and high-quality performing arts provision. The Flowers Band are now based in Barbican House and will be working with GAM in the future to develop their youth offer and have already enhanced GAM's brass programme. The Nethra Academy of Performing Arts are willing to plan partnership work with GAM in the future. Jackie Shewell-Thomas now runs her dance classes after school here and there have been successful projects involving her dancers and GAM musicians. Hire income from these additional users will help us to meet our building maintenance and overhead costs.

Proposed purchase of Barbican House

Preparations to consolidate GAM's presence in Gloucester involved the proposed purchase of Barbican House from Gloucester City Council. Lengthy negotiations have taken place for this milestone project involving the appointment of a professional fundraiser Jacqueline Kingsley.

Music programme

GAM has enjoyed a challenging and diverse year of music making despite the world pandemic of Covid-19 striking in March 2020. Up until then, students had had the opportunity of working with internationally recognised musicians and performing in large scale events throughout the county in prestigious venues, as well as expanding the educational offer at Barbican House and our Cheltenham Junior Department.

But the Government's six-month lockdown on March 23, meant the GAM team had to immediately set up online lessons and sessions to replace the physical tutoring. GAM relatively smoothly adapted to this new method of learning, which enabled two new online projects to emerge: Stand By Me – an intergenerational singing project – and Ready Steady Play for primary school-age children. The summer term ended with a Covid risk-assessed outdoor series of performances by different year groups.

Easter and Summer holiday courses had to be cancelled but to keep members of the Early Music Course members involved, a week-long series of Desert Island Disc sessions online were organised by two trustees.

- All 24 of our individual lesson teachers transferred their teaching online during lockdown
- 72% of our centre-based individually-taught students registered for online teaching
- 34% of our school-based individually-taught students registered for online teaching
- By the end of August 2020 we had delivered almost 2,300 individual instrumental lessons online
- 140 children and young people attended our weekly group classes and ensembles during lockdown (69% of normal cohort)
- 26 young people were involved in the virtual performance of Beethoven's Egmont Overture

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Reserves policy:

It is the Trustees' policy to maintain sufficient funds to satisfy both the current programme of work as well as providing a base reserve of unrestricted funds.

These funds may be used to cover a funding shortfall in a project, either to its planned conclusion or to bridge a gap in its targeted funding. In addition, there is a contingency fund available for unforeseen organisational obligations and future salary commitments.

Details of any funds materially in deficit:

No funds were in deficit.

Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Gloucestershire Academy of Music Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

The trustees' report was approved by the Board of Trustees.



V Hargreaves

Chairman

Dated: 9.11.2020

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

I report to the trustees on my examination of the financial statements of Gloucestershire Academy of Music Ltd (the charity) for the year ended 31 August 2020.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Stephen Humphries FCA
Griffiths Marshall
Beaumont House
172 Southgate Street
Gloucester
GL1 2EZ

Dated: 9 November 2020

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Notes							
Income and endowments from:							
Donations and legacies	3	4,186	83,957	88,143	2,558	62,202	64,760
Charitable activities	4	167,131	-	167,131	223,599	-	223,599
Investments	5	1,672	-	1,672	48	-	48
Other income	6	41,498	-	41,498	14,518	-	14,518
Total income		214,487	83,957	298,444	240,723	62,202	302,925
Expenditure on:							
Charitable activities	7	205,222	96,694	301,916	245,723	64,861	310,584
Net incoming/ (outgoing) resources before transfers		9,265	(12,737)	(3,472)	(5,000)	(2,659)	(7,659)
Gross transfers between funds		(29,324)	29,324	-	(1,164)	1,164	-
Net (expenditure)/income for the year/ Net movement in funds		(20,059)	16,587	(3,472)	(6,164)	(1,495)	(7,659)
Fund balances at 1 September 2019		164,649	8,954	173,603	170,813	10,449	181,262
Fund balances at 31 August 2020		144,590	25,541	170,131	164,649	8,954	173,603

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		17,710		18,581
Current assets					
Stocks	12	256		-	
Debtors	13	8,102		5,004	
Cash at bank and in hand		173,548		155,511	
		<u>181,906</u>		<u>160,515</u>	
Creditors: amounts falling due within one year	14	<u>(29,485)</u>		<u>(5,493)</u>	
Net current assets			152,421		155,022
Total assets less current liabilities			<u>170,131</u>		<u>173,603</u>
Income funds					
Restricted funds	15		25,541		8,954
<u>Unrestricted funds</u>					
Designated funds	16	100,000		100,000	
General unrestricted funds		<u>44,590</u>		<u>64,649</u>	
			144,590		164,649
			<u>170,131</u>		<u>173,603</u>

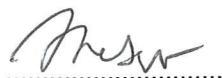
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 9/11/2020



J Webster
Trustee

Company Registration No. 02796427

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

Gloucestershire Academy of Music Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Barbican House, 31 Barbican Road, Gloucester, GL1 2JF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income has been met, it is probable that the income will be received and that the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advanced of the provision of a specified service is deferred until the criteria for income recognition are met.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use of the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Cost of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of term-time courses, holiday courses, Schools Music Agency, bursaries and Barbican project undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provision for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

• Term-time courses	75%
• Holiday courses	5%
• School Music Agency	Fixed at 17.7% of SMA fee income
• Barbican project	20%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1.6 Intangible fixed assets other than goodwill

Intangible assets are included at cost or fair value on acquisition and then amortised over the life of the asset.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Instruments and equipment	15% reducing balance
Piano	15% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity 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 debtors and cash and bank balances, 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 the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charitable company is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Employees are enrolled in the NEST auto enrolment scheme, which is a defined contribution scheme. Contributions are recognised as they become payable.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	4,186	11,723	15,909	2,558	1,946	4,504
Grants	-	72,234	72,234	-	60,256	60,256
	<u>4,186</u>	<u>83,957</u>	<u>88,143</u>	<u>2,558</u>	<u>62,202</u>	<u>64,760</u>
Grants receivable for core activities						
Arts Council England	-	58,743	58,743	-	57,756	57,756
Gloucestershire Community Foundation	-	-	-	-	2,500	2,500
Architectural Heritage Trust	-	13,491	13,491	-	-	-
	<u>-</u>	<u>72,234</u>	<u>72,234</u>	<u>-</u>	<u>60,256</u>	<u>60,256</u>

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2020**

4 Income from charitable activities	Term-time courses	Holiday Schools courses	Holiday Schools Music Agency	Total	Term-time courses	Holiday Schools courses	Holiday Schools Music Agency	Total	2019	£
	2020	2020	2020	2020	2019	2019	2019	2019		
	£	£	£	£	£	£	£	£		£
Individual lesson fees	83,640	-	22,437	106,077	75,399	-	28,030	103,429		
Group lessons	51,462	-	738	52,200	58,678	-	2,488	61,166		
Exam fees	1,791	-	-	1,791	6,419	-	-	6,419		
Fees from participants	-	936	-	936	-	46,784	-	46,784		
Shared lesson fees	-	-	2,435	2,435	-	-	5,801	5,801		
Other income	3,692	-	-	3,692	-	-	-	-		
	<u>140,585</u>	<u>936</u>	<u>25,610</u>	<u>167,131</u>	<u>140,496</u>	<u>46,784</u>	<u>36,319</u>	<u>223,599</u>		

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

5 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	1,672	48
	<u> </u>	<u> </u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Other income	41,498	14,518
	<u> </u>	<u> </u>

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Charitable activities

	Term-time courses	Holiday courses	School Music Agency	Bursaries	Barbican Project	Total 2020	Total 2019
	2020 £	2020 £	2020 £	2020 £	2020 £	2020 £	2019 £
Staff costs	105,970	4,503	23,240	-	-	133,713	138,734
Holiday courses costs	-	-	-	-	-	-	19,817
Examination costs	1,387	-	-	-	-	1,387	4,206
Instruments and music	2,179	120	-	-	-	2,299	-
Education and development	-	-	-	-	-	-	16,727
Prizes / Bursaries awarded	2,465	-	-	4,678	-	7,143	3,020
Property costs including utilities	1,071	-	30	-	20,241	21,342	942
Office and administration costs	2,565	363	204	-	-	3,132	841
Miscellaneous costs	651	6	-	-	41	698	505
	<u>116,288</u>	<u>4,992</u>	<u>23,474</u>	<u>4,678</u>	<u>20,282</u>	<u>169,714</u>	<u>184,792</u>
Share of support costs (see note 8)	94,808	6,320	4,533	-	25,281	130,942	123,992
Share of governance costs (see note 8)	945	63	-	-	252	1,260	1,800
	<u>212,041</u>	<u>11,375</u>	<u>28,007</u>	<u>4,678</u>	<u>45,815</u>	<u>301,916</u>	<u>310,584</u>
Analysis by fund							
Unrestricted funds	165,840	11,375	28,007	-	-	205,222	245,723
Restricted funds	46,201	-	-	4,678	45,815	96,694	64,861
	<u>212,041</u>	<u>11,375</u>	<u>28,007</u>	<u>4,678</u>	<u>45,815</u>	<u>301,916</u>	<u>310,584</u>

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2020**

7 Charitable activities		(Continued)				
For the year ended 31 August 2019						
		Term-time courses	Holiday courses	School Music Agency	Bursaries	Total 2019
		£	£	£	£	£
Staff costs		92,515	10,364	35,855	-	138,734
Holiday courses costs		-	19,817	-	-	19,817
Examination costs		4,206	-	-	-	4,206
Education and development		16,727	-	-	-	16,727
Prizes / Bursaries awarded		187	-	-	2,833	3,020
Property costs including utilities		942	-	-	-	942
Office and administration costs		841	-	-	-	841
Miscellaneous costs		333	172	-	-	505
		<u>115,751</u>	<u>30,353</u>	<u>35,855</u>	<u>2,833</u>	<u>184,792</u>
Share of support costs (see note 8)		92,734	30,912	346	-	123,992
Share of governance costs (see note 8)		1,350	450	-	-	1,800
		<u>209,835</u>	<u>61,715</u>	<u>36,201</u>	<u>2,833</u>	<u>310,584</u>
Analysis by fund						
Unrestricted funds		147,807	61,715	36,201	-	245,723
Restricted funds		62,028	-	-	2,833	64,861
		<u>209,835</u>	<u>61,715</u>	<u>36,201</u>	<u>2,833</u>	<u>310,584</u>

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	100,233	-	100,233	92,494	-	92,494
Instruments and music	176	-	176	3,948	-	3,948
Education and development	-	-	-	114	-	114
Property costs including utilities	13,474	-	13,474	15,650	-	15,650
Office and administration costs	13,874	-	13,874	8,507	-	8,507
Miscellaneous costs	-	-	-	48	-	48
Depreciation and amortisation	3,125	-	3,125	3,279	-	3,279
Bank charges and bad debts	60	-	60	(48)	-	(48)
Independent examiner fee	-	1,260	1,260	-	1,800	1,800
	<u>130,942</u>	<u>1,260</u>	<u>132,202</u>	<u>123,992</u>	<u>1,800</u>	<u>125,792</u>
Analysed between Charitable activities	<u>130,942</u>	<u>1,260</u>	<u>132,202</u>	<u>123,992</u>	<u>1,800</u>	<u>125,792</u>

9 Trustees

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	6	5
	<u>6</u>	<u>5</u>
Employment costs	2020	2019
	£	£
Wages and salaries	233,946	231,228
	<u>233,946</u>	<u>231,228</u>

The key management personnel for Gloucestershire Academy of Music Limited are the trustees, the Artistic Director and the Executive Director. The trustees receive no remuneration. The total employees benefits including pension contributions of the key management personnel were £61,390 (2019: £54,363).

11 Tangible fixed assets

	Instruments and equipment £	Piano £	Total £
Cost			
At 1 September 2019	12,043	23,685	35,728
Additions	2,255	-	2,255
	<u>14,298</u>	<u>23,685</u>	<u>37,983</u>
At 31 August 2020	14,298	23,685	37,983
Depreciation and impairment			
At 1 September 2019	10,574	6,573	17,147
Depreciation charged in the year	559	2,567	3,126
	<u>11,133</u>	<u>9,140</u>	<u>20,273</u>
At 31 August 2020	11,133	9,140	20,273
Carrying amount			
At 31 August 2020	3,165	14,545	17,710
	<u>3,165</u>	<u>14,545</u>	<u>17,710</u>
At 31 August 2019	1,469	17,112	18,581
	<u>1,469</u>	<u>17,112</u>	<u>18,581</u>

All of the above assets are used for charitable purposes.

12 Stocks

	2020 £	2019 £
Stock of music books and merchandise	256	-
	<u>256</u>	<u>-</u>

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	3,990	191
Prepayments and accrued income	4,112	4,813
	<u>8,102</u>	<u>5,004</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	1,754	2,303
Payments received on account	12,542	1,012
Trade creditors	13,929	378
Accruals and deferred income	1,260	1,800
	<u>29,485</u>	<u>5,493</u>

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 August 2020 £
Bursary fund	7,454	10,223	(4,678)	-	12,999
Arts Council England	1,500	58,743	(46,201)	(1,500)	12,542
Barbican Project	-	14,991	(45,815)	30,824	-
	<u>8,954</u>	<u>83,957</u>	<u>(96,694)</u>	<u>29,324</u>	<u>25,541</u>

Purpose of restricted funds

Bursary fund - to make awards to individuals and families of existing and prospective students attending term-time activities and holiday courses.

Arts Council England - this is funding for training and courses in Gloucestershire.

Barbican Project - to engage professionals and undertake research to produce a project viability report on the purchase of Barbican House.

GLOUCESTERSHIRE ACADEMY OF MUSIC LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2019 £	Movement in funds Incoming resources £	Balance at 31 August 2020 £
Development fund	100,000	-	100,000
	<u>100,000</u>	<u>-</u>	<u>100,000</u>

The designated fund was created from a legacy received in 2015 and is held to support the future development of the charity.

17 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 August 2020 are represented by:						
Tangible assets	17,710	-	17,710	18,581	-	18,581
Current assets/ (liabilities)	130,040	22,381	152,421	146,068	8,954	155,022
	<u>147,750</u>	<u>22,381</u>	<u>170,131</u>	<u>164,649</u>	<u>8,954</u>	<u>173,603</u>

18 Related party transactions

During the year, the aggregate amount of donations received without conditions from related parties amount to £4,600 (2019: £nil).

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

