

Company registration number: 04044936

Charity registration number: 1087445

NORTH MUSIC TRUST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

North Music Trust

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North Music Trust

Reference and Administrative Details

Trustees

Sir Martin Narey, Chair
Roy McEwan-Brown OBE, Vice-Chair
Michael Barker
Darren Collins
Emily Cox MBE
Emyr Dance
Subashis Das
Gabriel Day
Hilary Florek
Jacqueline Hodgson
Caroline Jackson (resigned 8 December 2023)
Young Kim
Joanna Lawson
Ruth Lyon
Jane Spiers
Tony Wadsworth CBE
Alfred Whillis

Secretary

Lindsay Tuck

Senior Management Team

Abigail Pogson, Managing Director
Fraser Anderson, Executive Director
Wendy Smith, Creative Director
Lindsay Tuck, Chief Operating Officer
James Thomas, Director of Royal Northern Sinfonia & Classical Programme
Sara Venning, Director of Finance and People

Registered Office

St Mary's Square
Gateshead
Tyne & Wear
NE8 2JR
The company is incorporated in England & Wales.

North Music Trust

Reference and Administrative Details

Company Registration Number 04044936

Charity Registration Number 1087445

Solicitors Muckle LLP
Time Central
32 Gallowgate
Newcastle Upon Tyne
Tyne And Wear
NE1 4BF

Bankers Barclays Bank plc
Percy Street
Percy Street
Newcastle upon Tyne
NE1 4QL

Auditor Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

North Music Trust

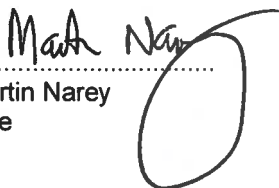
Chairman's Statement

This was a year of great highlights. In June we hosted the first-ever, weekend-long BBC Proms festival outside London in its 128-year history. More than 5,000 music lovers joined us at The Glasshouse - including 500 young audience members. Almost all of them were attending The Proms for the first time. There was also the small matter of starting the year as Sage Gateshead and finishing it as The Glasshouse International Centre for Music. Our new name was inspired by the idea that music lives and grows here. Because our communities told us that's why we matter.

As Chair of The Glasshouse I've attended many wonderful performances. But none bettered our In Harmony Celebration Day at the end of March when 300 children supported by The Glasshouse, but who attend schools in deeply challenged areas on Tyneside, came together with the Royal Northern Sinfonia to play on our main stage. It's moments like this, witnessing first-hand the difference music can make in young people's lives, that bring home just how special this organisation is.

We continue our recovery. Generous support from Arts Council England and donors, particularly from those in the North East, has meant that although we again ended the year in deficit, returning to a break-even position is moving closer. But as we move to balance the books, we are painfully aware that many who come to The Glasshouse are having to manage in a world of increasing costs. We are determined to do our part and we shall continue to prioritise making it affordable to take part in making music and to experience world class music. We're doing this not just on Tyneside but in the wider North East, particularly in Middlesbrough, Carlisle and Kendal where we are delivering classical programmes led by Royal Northern Sinfonia.

Chairing the charity running The Glasshouse (The Sage as was) has been one of the most satisfying roles in my working life. But my term is up in a few months so this is my final Chair's Statement. I have seen the organisation face great challenges and achieve great things, and I am confident that The Glasshouse, under the remarkable leadership of Managing Director Abigail Pogson, will continue to thrive, providing great entertainment, running the North East's only professional orchestra and making music accessible to all irrespective of financial circumstances. And I will be a very regular visitor!


.....
Sir Martin Narey
Trustee

North Music Trust

Trustees' Report

The trustees of The Glasshouse are delighted to present our annual report together with the audited financial statements of the North Music Trust for the year 1 April 2023 to 31 March 2024. This report not only serves the purposes of both a trustees' report and a strategic and directors' report under company law. But also highlights our achievements and progress over the year. We confirm that our annual report and financial statements meet all current legal requirements, align with our governing documents, and adhere to the relevant standards for charity accounts in the UK and Ireland (FRS102).

Objectives and activities

What is The Glasshouse?

We're a home for live music lovers – a place where absolutely anyone can enjoy and create outstanding music.

Our Charitable objectives are:

To promote and develop the enjoyment, practice and understanding of music, and the education of the public in the understanding and appreciation of the arts;

The provision and maintenance of The Glasshouse International Centre for Music as a base for production, presentation, participation, enjoyment and understanding of music, and as a fully accessible centre in which the public may explore, understand and enjoy them;

To foster awareness, knowledge, understanding, appreciation and participation in folk and traditional arts;

To bring together, maintain and promote musical ensembles including professional orchestras, paying particular regard to the repertoire for the chamber orchestra, and the traditional music of the North of England, the UK and beyond;

To provide and promote educational courses, programmes and activities in a broad range of music for the benefit of the people of, but not exclusively, the Northern region;

To achieve excellence in its work locally, regionally, nationally and internationally with all forms of music.

This means that

We bring some of the world's best music to people in the North East – hosting top-notch gigs and concerts in our own venue, in communities across the region, and online. And we support people in the North East to create some of the world's best music – running classes for all ages and stages, nurturing new artists, and sharing our orchestra with audiences across the globe.

Why does our work matter?

Because music is mighty – but not everyone gets the same chances to benefit from it. From boosting confidence and concentration to banishing loneliness and stress, music makes a practical difference in people's lives every day. So we're making sure that anyone can grab hold of the power of music – no matter where you're from, how old you are, how much money you have, or what challenges you face.

North Music Trust

Trustees' Report

Achievements and performance

Headlines

Music lives and grows here. The Glasshouse is a home for live music lovers – from diehard fans, aspiring artists, and tambourine-shaking toddlers to rock legends, pop icons, and our own acclaimed orchestra, Royal Northern Sinfonia. With top-notch gigs, concerts, and classes every week – in our home at Gateshead Quays, out in communities across the North East, and online – anyone can join us in creating and celebrating outstanding music. And as a charity we're focused on making sure all of that is available to anyone – no matter where you're from, how old you are, how much money you have, or what challenges you face.

And while we started 2023 as Sage Gateshead, in September we became The Glasshouse International Centre for Music. Our search for a new name started when it was announced that the arena and conference centre built next door would be called The Sage. Our new name was inspired by the idea that music lives and grows here. Because our communities told us that's why we matter. You talked, we listened, and here we are, The Glasshouse International Centre for Music. New name, same great home for live music lovers

Audiences and programme

Numbers don't quite capture the magic of live music, but they do capture just how busy we've been.

We put on 452 individual performance events and reached over 2.5 million people in person, via radio, and online. And to make sure the doors are open to everyone, we gave out more than 25,000 free or heavily discounted tickets for locals who've never been before, young people, those out of work, and people facing hardship at Christmas, and we were part of Gateshead Council's Warm Spaces network.

Environmental responsibility

The climate crisis is a critical threat to our audiences, artists, region, and planet. That's why we've made a pledge to be net-zero by 2030. We're steadily reducing our carbon emissions to a minimum by 2030. After that, we'll contribute to local rewilding projects that suck in carbon to offset whatever is left. So, when people come to us, they'll know we're not just looking after them, but the Earth too.

Our journey to net-zero involves working with artists and audiences, as well as making changes to our building. It won't come as a surprise – the building takes a lot to keep going, and at 20 years old, there's lots to upgrade. Plus, we're out on tour, and all that fuel adds up.

- Measuring and reporting on our carbon emissions since 2013 has helped us learn where to focus our efforts
- We encourage people attending concerts and events at our venue to use public transport - for example with free Metro tickets for concert goers
- Our energy is generated round the corner at Gateshead District Energy Centre - it's more efficient than energy from the National Grid
- Joining with Music Declares Emergency is one way we're working hard to make change in the music sector
- We're taking part in local environmental action as part of the North East England Climate Coalition
- We have an Environmental Action Plan which acts as our annual to do list

North Music Trust

Trustees' Report

- By switching to electronic tickets, we'll save in the region of 20km of paper tickets every year
- We're working to reduce our orchestra's touring emissions by setting annual carbon budgets
- We're investing in the energy efficiency of our building and equipment so we're ready for the future.
- We've been replacing our lights with LED lighting which uses 80-90% less power than halogen bulbs. We replaced a grand total of 382 house lights, 70 downlights, and 78 emergency lights.

And because music can change hearts and minds, we put music about the climate crisis on our stages. Kerrin Tatman premiered his post-apocalyptic tale, *Requiem for a Fading World*. And *Fell Silent* was Anna Hughes' exploration of the links between human activity and the natural world.

Our greenhouse gas emissions and energy consumption for 2023/24 was:

- Greenhouse gas emissions for the year were 1,229 tonnes CO2e*
- Total energy use was 3,324,952kWh split between 1,783,515kWh electricity, 1,481,500kWh heat, and 59,937kWh gas (not weather normalised)

This has been calculated with help from our friends at Julie's Bicycle and their creative green toolkit. We can't measure everything, but we do track energy and water usage, waste in our bins, and travel from our staff and audiences.

Equality, Diversity and Inclusion

20 years ago, inclusion was one of our founding principles, and it's still at the heart of everything we do. We want lots of voices to shine bright. This goes for our team, the artists we support and put on our stages, and the music lovers who come to hear and make music with us. Knowing our communities, we focus on making sure people from different backgrounds and with different (dis)abilities can join in. Because for lots of people money's tight, or they need some extra help to get involved, and this should never stop us from enjoying music, or making a career out of it.

It matters who we see on our stages. Here are some of the things we have been doing this year.

- 12 up-and-coming female conductors participated in our WoCo sessions, grounded in quality rehearsal time with Royal Northern Sinfonia and mentoring for Alice Farnham.
- Recruiting Classical is growing in reach beyond string players, award winning and recognised as driving change in the UKs orchestral sector
- We kept up with our 2019 Keychange pledge, guaranteeing gender balance among headline artists.
- In our work supporting artists, we focussed on musicians whose tunes might otherwise get overlooked. Including CRYSTALQUEER, a collaborative audiovisual commission from Liza Bec and CHAINES.

And we made sure local people can live their best creative life.

- Young adults with additional needs and disabilities played, sang, and experimented with tech during their music weekly sessions.
- Over half of the young people on our Make Music programme received a bursary. And more than 25,000 tickets were free or heavily discounted.
- 30 Young Programmers got involved in shaping what happens on stage.

All this means that people from across the community can make The Glasshouse into their stage, have a say in what happens here, and live their version of creativity.

North Music Trust

Trustees' Report

Review of activities

Music isn't just something that happens on our stages. It's in our audiences singing along, it's in babies coming to their first classes, it's in the 100-year-old practicing her guitar, it's in the schools and in the parks, it's beaming digitally across the world. We don't just host music, we're the place for living it.

This year we put on 260 gigs at The Glasshouse and 62 gigs out and about beyond The Glasshouse for a live audience of 250,000 and 2.5 million through broadcast and stream. We held 12,082 courses, classes and workshops for all ages with attendance of over 100,000. We also supported 258 up and coming artists and worked with 50,000 young people in schools projects.

Artistic Programme

In June, we hosted the first-ever, weekend-long BBC Proms festival outside of London in its history. More than 5,000 music lovers – including 500 young people – joined us. Almost all of them were attending the Proms for the first time. From a pop-classical mash-up with Self Esteem and Royal Northern Sinfonia, to an all-Northern jazz group, and from spirituals to CBeebies. The critics loved it, our audiences raved about it.

"The festival goes north for a euphoric weekend that moves from Brahms to barking like dogs... a triumphant communal experience." The Guardian

There were sold-out concerts across the board – Beverley Knight brought the house down, living legend Graham Nash had us hooked from start to finish, and Kelis brought us all to the yard. Teaming up with our neighbours at GemArts allowed us to spotlight the best classical Indian music through Riverside Ragas.

'It was an excellent gig, incredible band. You should check them out. The Glasshouse is really the best live music venue in the area and it's not even close.' Lanterns on The Lake audience member

It was another stellar year for Royal Northern Sinfonia, led with gusto by Principal Conductor Dinis Sousa. They played at home and away, in halls and in schools, from Kendal to South Korea, and beamed live into people's living rooms.

"Every orchestra wants to make its concerts stand out from the crowd, and on Friday night, the Royal Northern Sinfonia certainly succeeded." The Telegraph

We are very proud that more than 50% of Royal Northern Sinfonia gigs took place outside The Glasshouse. More than half of this touring was to venues in post codes within the lowest 30% of deprivation indices.

Among this year's original commissions were *Wander* by Heloise Werner for Royal Northern Sinfonia and *RNS Moves* and *CRYSTALQUEER*, a collaborative audiovisual commission from Liza Bec and CHAINES.

We know that it matters who folk see on our stages so this year we continued to champion those underrepresented in the music industry. We've backed aspiring woman conductors alongside our friends at the Royal Philharmonic Society. Our commitment to gender balance through our Keychange pledge remains a top priority. Our Recruiting Classical project working with BLiM and other UK orchestras has expanded to include wind players and won an award for its impact on the UK's orchestral sector. And 72% of those engaged with our artist development programme were from underrepresented groups.

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Our concert series From The Glasshouse brought audiences a garden of musical delights including homegrown talent, wildflowers from further afield, and new music. Among them, Ruth Lyon and Eliza Hull brought us their Access All Areas tour, celebrating disabled creatives.

Through residencies, stage time, rehearsal space, financial support, expert advice and networking opportunities, musicians were able to try new things, get gig ready, write new music, and connect with fellow musicians and industry contacts.

Last year's Artists in Residence showcased the results of their hard work having created a living picture of life in the North through sound (Cetidh Mac) an incredible Requiem for a Fading World combining contemporary classical music and graphic art (Kerrin Tatman), an intimate soundworld inspired by experiences of loneliness (Late Girl) and a reconnection with the sound of nature itself (Anna Hughes). New Artists in residence Hayden Thorpe and Faye MacCalman embarked on ambitious new projects and we can't wait to see what they come up with.

Our programme felt a burst of fresh energy, thanks to Young Programmers making creative decisions behind the scenes. These 16- to 25-year-old local music lovers had a say in who's on our stages and how we do things at The Glasshouse, picking up new skills and new friends along the way.

Make Music

'It is the highlight of my week. The tutor is very patient with the class and the sessions are always fun. It is great to learn something new and get those braincells working!' Samabanistas Participant

'The Glasshouse is a wonderful, welcoming space that I enjoy spending time in. I like that participation in all types of music is encouraged, with free performances on the concourse, and free tickets for some concerts.' Parent/Guardian

Stars don't just grace our stages, they grace our Make Music Centre too. For example, Royal Northern Sinfonia teamed up with superstars Benjamin Grosvenor, Sheku Kanneh Mason and Hyeyoon Park. Over 3,000 people came to see them, and over 30 young people learned tricks of the trade in a workshop with the stars.

Young people took centre stage throughout the year. Young Sinfonia created new music with composer and former member Anna Appleby. Jazz band Jambone lit up our concourse stage during BBC Proms. Quay Voices joined Royal Northern Sinfonia on stage to perform Home Alone. And 2,300 children from 60 local schools sang their hearts out at our annual Big Sing.

Adults got their weekly dose of stress busting music from classes ranging from West African percussion to Elizabethan Madrigals; a continued range of live streamed classes; and On Demand packages.

We delivered over 12,000 Make Music sessions across the whole programme with a whopping 104,000 attendances.

Digital

"Wonderful concert. Living some distance away so much appreciate being able keep up with Royal Northern Sinfonia concerts on livestream." - Audience member

Our The Glasshouse Player, is where we host livestreamed, hybrid and On Demand classes, from beginners' electric bass to an intro to music production. And for those who can't make it to our home, our livestreams are now free to watch on YouTube and reaching all corners of the world from Mexico to Taiwan; hola and li-hó.

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We also teamed up with international media arts agency, Mediale. We co-produced work that explores how music, digital art and tech can present new ways of experiencing music. We commissioned visual artist Daisy Dickinson, who created three films set in and around the ancient sites and nature of the North East. And in the autumn, people could step inside Jazz Maze, the virtual reality world of composer, spoken word artist and jazz musician Marcus Joseph. His interactive, immersive comic book VR experience took audiences on an unforgettable journey.

Performance against Strategic Aims

1. Being creative

In the next five years...

With artists, musicians and other creative folk we'll share brilliant live music that stands out from the crowd. Audiences will be entertained, enthralled and come from all walks of life.

Pick up a gig guide or scroll the Royal Northern Sinfonia website and you'll see an international programme with a proud North East accent. This'll happen at home in The Glasshouse, across the North, further afield, and through a growing digital presence.

Our famous music centre, with its fantastic facilities, music lovers and learners, and awe-inspiring artists will create a home for live music where we all feel welcome. A place where music lives and grows.

For this year and next we are focused on ...

- Getting more people to see live music on our stages.
- Building local support for Royal Northern Sinfonia's concerts across the North - part of our promise to bring music direct to communities.
- Working with a small number of big-name artists to develop cracking new collaborations

2. Supporting breakthrough artists and all music makers

In the next five years...

Whatever you want to do in music The Glasshouse will help make it happen.

For this year and next we are focused on ...

- Making it easier for people to make music with the latest digital tech, with some cracking new partners like Mediale
- Offering friendship and support to artists who have extra challenges placed on their path, like women conductors (still an all-too-rare sight) and artists struggling to make ends meet.

3. The Glasshouse experience for music lovers

In the next five years...

We're savvy business folk with a keen eye for commercial opportunities. This in the service of bringing everyone - whatever their background or income - the joy and nourishment of live music.

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Trustees' Report

For this year and next we are focused on ...

- Getting as many people coming to live music as we did before the pandemic
- Asking everyone to champion and support colleagues who are making the sale and tell our story - we're one voice
- Putting on more shows to appeal to people who are a bit younger

4. Working together

In the next five years...

We'll work together to live our values and care for our culture. This'll help us be brilliant at serving audiences. We'll also create new routes into careers in the cultural industries.

For this year and next we are focused on ...

- Starting a new project linking our values, behaviours, audience experience and organisation design - we're currently calling these things 'The Glasshouse World'
- Updating some of our HR systems

5. Building to support our mission

In the next five years...

We'll give our 20-year-old building and facilities some TLC, ensuring we can keep our doors open and stages humming with live music. We'll also get fully back on our feet after the pandemic, creating as much financial and human value from music as possible.

For this year and next we are focused on ...

- Working as one team to get as much value as possible from our event spaces
- Taking our joyful new brand and ensuring this is felt by audiences in all their interactions with us

6. Telling the world our story

In the next five years...

We'll use our new brand to shout about the difference music can make to people's lives and why this is important.

For this year and next we are focused on ...

- Making the case for culture to people who decide or influence our country's and community's priorities - all of us can do something to help
- Ensuring as many as possible are aware of our new name, and building up the brand so people feel good about it

North Music Trust

Trustees' Report

7. Having money to spend where it matters

In the next five years...

We'll be financially sustainable, maximising the money we get from our live events, while also unearthing new sources of bankable income.

For this year and next we are focused on ...

- Building the fundraising team.
- Planning an expansion of our commercial company's plans to generate income that supports our charity
- Hitting income targets for the year!

Duty to promote the success of the company to achieve its charitable purposes

The trustees believe, both individually and as a group, that they have acted in good faith and in a way that they believe will best promote the success of the charity for the benefit of all its members. They have considered several important factors, including:

- The long-term consequences of any decision, discussed in the Risk Management section on page 14.
- The interests of the charity's employees, detailed in the Equality, Diversity, and Inclusion section on page 7 and the Working Together section on page 9.
- The importance of fostering good relationships with third-party stakeholders such as funders, audiences, artists, partner organizations, statutory bodies, and the government, which is highlighted throughout the report.
- The impact of the charity's operations on the community and the environment, specifically covered in the Environmental Responsibility section on page 6 and the Public Benefit section on page 18.
- The importance of maintaining a reputation for high standards of business conduct, as discussed in the Financial Review.
- The need to act fairly among all members of the community, ensuring everyone is fully represented.

In considering these factors, the trustees aim to ensure the charity operates in a way that benefits everyone involved.

North Music Trust

Trustees' Report

Financial review

Financial performance

We make a difference in our communities through music but we're also financially savvy. We don't rely on one income source to support our charitable work - instead we balance lots of different things. We make money from selling tickets, food and bevies, and from hosting conferences and events. We get investment from government, and support from businesses, trusts and foundations and people all over the region - and beyond

In 2023/24 21.1% of our income is from grants, philanthropy and endowments, 23.8% from public sources, 37.9% from earned income and 17.2% from trading.

Fundraising

Fundraising is a vital part of our financial mix. As we navigate rising costs our communities and audiences are also facing tough challenges. This means that our income from tickets, and our food and drinks

offer is considerably lower than it was. Philanthropic contributions mean we can continue our charitable work for children, young people, artists and local communities.

We are grateful that Arts Council England and Gateshead Council (our two statutory funders), have maintained their grants to us despite the strains on their own budgets.

We want to sincerely thank our Founding Patrons, Founding Endowment Donors, Friends and Champions of The Glasshouse, Friends, Champions and Principal Partners of Royal Northern Sinfonia, as well as everybody who donated online.

Every donation from individuals, institutions and companies helps us provide world-class music and life-changing music-making opportunities to people across the North East.

Trusts and Foundations

Esmée Fairbairn Foundation, Sir James Knott Trust, Netherton Park Trust, Andrew Lloyd Webber Foundation, Garfield Weston Foundation, Kavli Trust, PRS for Music Foundation, ABO Trust Sirens Fund, St Nicholas' Educational Trust, Swire Charitable Trust, Clore Duffield Foundation, Shears Foundation, D'Oyly Carte Charitable Trust, WA Handley Charity Trust, Hadrian Trust, Austin and Hope Pilkington Trust, Percy Hedley 1990 Charitable Foundation, Barbour Foundation, Community Foundation Tyne & Wear and Northumberland, The John Horseman Trust, The Vardy Foundation, Youth Music, Marchus Trust, Anonymous

Corporates:

Adkins & Cheurfi, Aspire Technology Solutions, Greggs Plc, Henry Colbeck, Isis Property Services, Kilfrost Ltd, LWC Drinks, Molson Coors, Nexus, Northern Elevator, Pioneer Foodservice, Sage Plc, Solution Group, Zerolight, Power Wholesale, Unilink, Northumbrian Water, Fenwick

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Trustees' Report

Commercial Events and Hires

As the region's prime conference spot, we greeted over 22,000 delegates, often introducing them to the North East. Profit from this area of our work is gifted across to the charity and conference organisers know that holding their event at The Glasshouse supports our work in the region and beyond.

59 events took place in 2022/23 (2022/23: 41) with a contracted value of £741,573 (2022/23: £497,555).

Royal Northern Sinfonia Limited

During the financial year to 31 March 2024 the trading subsidiary earned income of £5.1m (2022/23: £4.2m) which comes from both Classical Box Office sales and Grant Income. Profit of £0.8m (2022/23: £0.6m) was recorded for the year after the application of Orchestra Tax relief.

Consolidated balance sheet

Fixed assets

The Trust invested £0.7m (2022/23: £0.9m) in fixed assets and improvements to the building during the year.

Unrestricted general and designated funds

Consolidated unrestricted reserves decreased during the year down to a surplus of £6.2m (2022/23: surplus of £6.6m).

Restricted funds

Consolidated restricted reserves decreased during the year to £0.58m (2022/23: £0.59m).

Endowment funds

The charity has two sources of endowment income:

A fund of £11.7m (2022/23: £11.3m) which is held off balance sheet on behalf of North Music Trust by the Community Foundation. An annual grant is drawn down from the Community Foundation proportional to the Trust's interest in the fund and this income is included within the Trust's voluntary income for the year.

North Music Trust also has its own endowment fund held on its balance sheet at a value of £7.5m (2022/23: £7.2m). £5.5m of this fund is invested and managed by Rathbones, while the remaining £2m is held in a high interest Notice Account at Barclays. The fund was created from £4m in donations to The Glasshouse and £2m in matched funding from Arts Council England via its Catalyst fund. An annual contribution from the investment income will be applied to each year's results in perpetuity.

North Music Trust

Trustees' Report

Investment management

Our endowment fund at North Music Trust is managed by Rathbone Investment Management Limited. We're aiming for a balanced approach, seeking both income and capital growth, with a medium risk profile to achieve returns above inflation over time.

We also have some important ethical investment rules:

No direct investments in tobacco, pornography, gambling, environmental damage, high-interest unsecured loans, or any companies supporting oppressive regimes.

Going concern

We understand that times are tough, and things change quickly. That's why we regularly review our risks with a strategic risk register to stay on top of everything. We're happy to report that all our current risks are well within manageable limits.

Our trustees have thoroughly checked, and they're confident that we have the resources to keep going strong for the foreseeable future. So, we're continuing with our current plans and preparing our financial statements accordingly. You can find more details about this in our accounting policies.

Risk management

Our trustees keep a close eye on our progress by reviewing our business plan every year. To keep things running smoothly, our directors have created a risk management strategy that includes:

- An annual review of potential risks to the charity
- Setting up systems and procedures to reduce those risks
- Implementing procedures to minimize the impact if any risks do occur

The main challenges we face at The Glasshouse are the speed of audience recovery, the broader economic climate, and the development happening next door.

Reserves policy

The trustees have agreed that the level of free reserves (that is funds not tied up in fixed assets or designated and restricted funds) required to sustain the Trust's operations will be in the region of £1,000,000. After taking into account the group's unrestricted funds not tied up in fixed assets, free reserves as at 31 March 2024 are £1.6m (2022/23: £2.1m). Therefore, free reserves remain above the level agreed by trustees but consolidated unrestricted reserves decreased by £0.5m during the year to £1.6m.

Structure, governance and management

Governance

North Music Trust is a charitable company limited by guarantee and does not have share capital. The charity is governed by its memorandum and articles of association last amended on 21/01/2009.

The trustees agree to contribute £1 in the event of the charity winding up.

North Music Trust

Trustees' Report

Organisational structure and decision making policies

To help us run smoothly, our Board has set up four subcommittees: Finance & Audit, Investment, People, and Programme & Development. These subcommittees, made up of Board members, allow for more regular and detailed involvement from nonexecutives and independent representatives than would be possible in full Board meetings.

Since North Music Trust was established in 2000, the Board and its subcommittees have played an active role in shaping our goals, policies, strategies, and procedures. They're involved in any major decisions that fall outside our approved framework. Board recruitment is open, with opportunities advertised, and candidates go through a formal interview process. New trustees get an induction, meet key staff, explore all our activities, and learn about our policies and responsibilities.

The Board appoints the Managing Director, who serves as our Chief Executive, and other key members of the Senior Management Team to carry out our work within aims policies and procedures approved by the board. The Chair reviews the Managing Director's performance against set targets annually, following our organisation-wide performance review process.

Our Chair, committee chairs, and Board members often consult with the Senior Management Team on policy development and specific issues or opportunities. They also meet with SMT periodically to discuss progress, plans, and any significant current concerns.

Our trustees are confident that our governance and management structures are well-suited to the needs of our diverse, large, and growing organisation.

Pay policy for key management personnel

Pay levels for all staff including senior staff are set in a banding system and are benchmarked against peer organisations as part of the Newcastle Gateshead Cultural Venues group.

Related party relationships

The trust has a close relationship with Arts Council England, North East and Gateshead Council, both of which provide funding to enable the charity to carry out its charitable objectives.

Disabled persons

We welcome job applications from people who identify as D/deaf or disabled, focusing on their abilities. If any staff member becomes disabled, we make every effort to continue their employment and provide the necessary training. Our policy ensures that training, career development, and promotion opportunities for disabled employees are as similar as possible to those for other employees.

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Trustees' Report

Public benefit

North Music Trust is a company limited by guarantee and a registered charity which operates under the name North Music Trust trading as The Glasshouse International Centre for Music. It was founded in 2000 to expand musical horizons of audience, artists, students and staff through musical discovery; seeking to make connections between performance, education and participation. It has a particular objective of serving the North East in which it is based. This objective is set out in its memorandum and articles of association and forms the basis upon which the charity's vision, mission and aims are formulated.

The directors have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission and are satisfied that the charity's activities are faithful to the charity's objectives and are for public benefit.

We bring some of the world's best music to people in the North East - hosting top-notch gigs and concerts in our own venue, in communities across the region, and online. And we support people in the North East to create some of the world's best music - running classes for all ages and stages, nurturing new artists, and sharing our orchestra with audiences across the globe.

We're also focusing on making events accessible to everyone. We're carefully planning ticket prices and offering schemes to allow first-time attendees to join events or projects for free. We aim to offer a range of ticket prices to ensure affordability for all, and bursaries are available for some Make Music projects. Participants in Make Music can also enjoy special ticket offers for performances.

Accessibility has always been important to us. The pandemic highlighted the need for streamed live performances and online lessons, which have been a hit with our audiences. We're continuing to offer hybrid models to ensure everyone can participate, whether in person or online

Plans for future periods - Onto our next two decades

The North East has a lot going for it – a booming Premier League club, too many epic bridges to count, and hard-working, dead canny folk. But money's tight and lots of people are struggling with their health. Too many children are having a tough time in school, while funding is dwindling. And young people feel they need to move away to get ahead in life.

There's no quick fix. There's no simple answer. But a thriving music centre is a vital part of the jigsaw. Because we give children's education a much-needed boost. Because we help locals live happier and healthier lives. Because we encourage people to dream big. And because as an international centre for music, we get people raving about the region and attract investment.

A laser-sharp focus

We know what we need to do. Our next era will put music at the heart of our region and its culture. It will involve:

- Royal Northern Sinfonia starting its most artistically ambitious chapter yet. We're talking vibrant community projects, searingly good performances, strong connections with people and places across the region, international touring, and brave leadership.
- New support for young artists, enabling the next generation of musicians from our region to thrive.
- Being a place where everyone can experience brilliant music, whatever their financial means.

North Music Trust

Trustees' Report

- Achieving net zero by 2030.
- Our region blossoming as a music hot spot, drawing in visitors, audiences, and artists

Auditor

The auditor, Azets, has indicated their willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Statement of trustees' responsibilities

The trustees (who are also the directors of North Music Trust for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. 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 parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the parent charitable company and the group 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 parent charitable company and the group 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. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

North Music Trust

Trustees' Report

The annual report was approved by the trustees of the company on 13-12-24 and signed on its behalf by:

Martin Narey
Sir Martin Narey
Trustee

North Music Trust

Independent Auditor's Report to the Members of North Music Trust

Opinion

We have audited the financial statements of North Music Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

North Music Trust

Independent Auditor's Report to the Members of North Music Trust

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report as been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 17), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;

Independent Auditor's Report to the Members of North Music Trust

- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Reviewing financial statement disclosures and testing to support documentation.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

North Music Trust

Independent Auditor's Report to the Members of North Music Trust

Use of our report

This report is made solely to the charitable parent company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA Hons ACA DChA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 18-12-24

North Music Trust

Consolidated Statement of Financial Activities for the Year Ended 31 March 2024

(Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Endowment £	Total 2024 £	Total 2023 £
Income and Endowments from:						
Donations and legacies	3	6,128,598	483,851	-	6,612,449	5,908,518
Charitable activities	4	6,000,972	-	-	6,000,972	4,855,674
Other trading activities	5	2,725,941	-	-	2,725,941	1,893,843
Investment income	6	247,151	-	243,335	490,486	207,022
Total Income		15,102,662	483,851	243,335	15,829,848	12,865,057
Expenditure on:						
Raising funds - fundraising	7	(344,966)	-	(26,536)	(371,502)	(286,499)
Raising funds - Trading activities	8	(2,152,432)	-	-	(2,152,432)	(1,360,225)
Charitable activities	9	(13,247,344)	(483,851)	-	(13,731,195)	(12,417,878)
Total Expenditure		(15,744,742)	(483,851)	(26,536)	(16,255,129)	(14,064,602)
Gains/losses on investment assets		-	-	334,279	334,279	(280,316)
Net (expenditure)/income		(642,080)	-	551,078	(91,002)	(1,479,861)
Transfers between funds		265,262	(16,620)	(248,642)	-	-
Net movement in funds		(376,818)	(16,620)	302,436	(91,002)	(1,479,861)
Reconciliation of funds						
Total funds brought forward		6,591,425	594,162	7,245,084	14,430,671	15,910,532
Total funds carried forward	26	6,214,607	577,542	7,547,520	14,339,669	14,430,671

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 26.

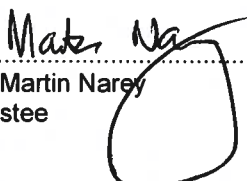
North Music Trust

(Registration number: 04044936)

Consolidated Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	16	4,710,309	4,556,786
Investments	17	5,547,520	5,245,084
		<u>10,257,829</u>	<u>9,801,870</u>
Current assets			
Stocks	18	43,910	55,419
Debtors	19	3,177,266	2,273,259
Cash at bank and in hand	20	7,967,612	9,172,144
		<u>11,188,788</u>	<u>11,500,822</u>
Creditors: Amounts falling due within one year	21	<u>(3,926,471)</u>	<u>(3,674,636)</u>
Net current assets		<u>7,262,317</u>	<u>7,826,186</u>
Total assets less current liabilities		<u>17,520,146</u>	<u>17,628,056</u>
Creditors: Amounts falling due after more than one year	22	<u>(3,180,477)</u>	<u>(3,197,385)</u>
Net assets		<u>14,339,669</u>	<u>14,430,671</u>
Funds of the group:			
Endowment		7,547,520	7,245,084
Restricted		577,542	594,162
Unrestricted income funds			
General funds		<u>6,214,607</u>	<u>6,591,425</u>
Total funds	26	<u>14,339,669</u>	<u>14,430,671</u>

The financial statements on pages 23 to 52 were approved by the trustees, and authorised for issue on 13.02.24 and signed on their behalf by:



 Sir Martin Narey
 Trustee

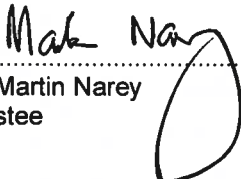
North Music Trust

(Registration number: 04044936)

Company Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	16	4,648,210	4,549,947
Investments	17	<u>5,547,522</u>	<u>5,245,086</u>
		<u>10,195,732</u>	<u>9,795,033</u>
Current assets			
Debtors	19	692,858	856,059
Cash at bank and in hand	20	<u>6,796,963</u>	<u>7,929,568</u>
		7,489,821	8,785,627
Creditors: Amounts falling due within one year	21	<u>(3,447,129)</u>	<u>(3,308,173)</u>
Net current assets		<u>4,042,692</u>	<u>5,477,454</u>
Total assets less current liabilities		14,238,424	15,272,487
Creditors: Amounts falling due after more than one year	22	<u>(3,180,477)</u>	<u>(3,197,385)</u>
Net assets		<u>11,057,947</u>	<u>12,075,102</u>
Funds of the company:			
Endowment		7,547,520	7,245,084
Restricted		577,542	594,162
Unrestricted income funds			
Unrestricted funds		<u>2,932,885</u>	<u>4,235,856</u>
Total funds	26	<u>11,057,947</u>	<u>12,075,102</u>

The financial statements on pages 23 to 52 were approved by the trustees, and authorised for issue on ~~13.12.24~~ and signed on their behalf by:


Sir Martin Narey
Trustee

North Music Trust

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(91,002)	(1,479,861)
Adjustments to cash flows from non-cash items			
Depreciation		546,949	611,485
Investment income		(490,486)	(207,022)
Interest payable		64,777	63,438
Revaluation of investments		(333,906)	280,316
		(303,668)	(731,644)
Working capital adjustments			
Decrease/(increase) in stocks	18	11,509	(4,530)
Increase in debtors	19	(904,007)	(829,196)
Increase/(decrease) in creditors	21	249,329	(106,800)
Net cash flows from operating activities		(946,837)	(1,672,170)
Cash flows from investing activities			
Acquisitions of tangible assets		(700,472)	(822,631)
Proceeds from sale of investments		1,184,608	872,088
Transfer from Investments		-	2,000,000
Dividend income		490,486	207,022
Purchase of investments		(1,153,138)	(841,169)
Net cash flows from investing activities		(178,516)	1,415,310
Cash flows from financing activities			
Interest payable		(64,777)	(63,438)
Movement on other loans		(14,402)	(15,782)
Net cash flows from financing activities		(79,179)	(79,220)
Net decrease in cash and cash equivalents		(1,204,532)	(336,080)
Cash and cash equivalents at 1 April		9,172,144	9,508,224
Cash and cash equivalents at 31 March		7,967,612	9,172,144

All of the cash flows are derived from continuing operations during the above two periods.

North Music Trust

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

1 Company status

The company is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is: St Mary's Square, Gateshead, Tyne & Wear, NE8 2JR

The charity meets the definition of a public benefit entity under FRS102.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

North Music Trust 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 notes.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2024.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The company made a deficit after tax for the financial year of £1,017,086 (2023 - deficit of £2,796,207).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

North Music Trust

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

Going concern

The financial statements have been prepared on a going concern basis.

The charity meets its day to day working capital requirements through cash generated from operations.

The Charitable company's forecasts and projections for the next 12 months show that the charity will be able to continue in operational existence for that period. The charity has strong positive cash and investment balances alongside a programme of activity for the year that reflects our commitments to our core funder, our strategic direction, and a realistic view on audience numbers.

Based on these factors set out above, the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

A group subsidiary claims Orchestra Tax Relief. At the year end included within accrued income are amounts claimed from HMRC for prior years and current years which we are awaiting payment. Until the claim is processed, the debtor reflects the best estimate of the value of the claim.

Income and endowments

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Income from donations and legacies includes sponsorships and donations and grants that provide core funding or are of a general nature. Income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation relates to future accounting periods.

Grants receivable

Orchestra tax relief income is recognised based on a prudent estimate of the amount of qualifying expenditure and applying the repayment rates set out in current HMRC legislation. Other grants are recognised at the earliest opportunity, unless there are any performance conditions preventing recognition.

North Music Trust

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

Gifts in kind

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company 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, or capitalised as a fixed asset if the goods are to be retained for future benefits.

North Music Trust leases the premises from which it operates from Gateshead Metropolitan Borough Council at a peppercorn rent. It is not considered possible to determine the market value of the donated facility and therefore neither income nor the corresponding rental charge have been recognised in the statement of financial activities.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Other trading activities

Income generated from commercial trading is recognised as earned as the related goods and services are provided.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Charitable activities

Performance income includes box office sales, engagement income, hall hire and other performance related income.

It is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Tickets are sold through the box office for three different event categories in terms of income recognition; Self-Promotions, Co-Promotions and Hall Hires. Where the event is a Self-Promotion, ticket sales are recognised gross in full within revenue. Where the event is a Co-Promotion, a portion of the ticket income is recognised within revenue; where the event is a Hall Hire, any income from ticket sales belongs to the promoter and thus does not form part of the revenue figure.

Education income includes education fees from music lessons and school visits and other education related income. It is recognised as earned (as the related services are provided). Grant income included in this category provides funding to support education activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Charitable activity income is deferred when box office sales or bookings are received or invoiced in advance of the performances or event to which they relate or when the donor specifies that the grant or donation relates to future accounting periods.

North Music Trust

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

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Expenditure on charitable activities includes costs associated with the staging of concerts, musical performances and educational programmes and includes both the direct costs and support costs relating to these activities.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the company's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Software and website development

Amortisation method and rate

3 years straight line

North Music Trust

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

Tangible fixed assets

Individual tangible fixed assets costing £5,000 or more are capitalised. Fixed assets are initially measured at cost and subsequently measured at cost less accumulated depreciation. Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds.

Depreciation and amortisation

Depreciation is not charged on stringed instruments as under normal circumstances the residual values are considered to be greater than cost. However, the carrying values of stringed instruments are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Subsequent costs, including replacement parts, are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are then derecognised. All other costs of repairs and maintenance are charged to the statement of financial activities.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture, fixtures and fittings	3-10 years straight line
Music & Instruments	10 years straight line
Computer Equipment	3 years straight line
Technical Equipment	5 years straight line
Leasehold property improvements	10 years straight line
Forestage lift	50 years straight line
Kitchen Equipment	3-5 years straight line
Car park equipment	5 years straight line

Fixed asset investments

The group's endowment fund investments are classified as financial instruments and accounted for in accordance with the accounting policy at fair value through the statement of financial activities.

In the separate accounts of the charity, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised immediately in expenditure.

Stock

Stocks are valued on a first in first out basis and 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 stock to their present location and condition. Stock held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

Trade debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

North Music Trust

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction.

All transaction differences are taken to the statement of financial activities, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Fund structure

Designated funds are unrestricted funds earmarked for specific purpose by the directors. They include amounts held as fixed assets purchased with specific capital funding secured.

The Trust has a number of restricted income and capital funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose. The aim and use of each restricted fund is set out in the notes.

The permanent endowment fund is treated by the directors as a long term fund.

All other funds are unrestricted income funds, receivable or generated for the objects of the charity without further specified purpose.

North Music Trust

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

Pensions and other post retirement obligations

The group operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Financial instruments

Classification

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade, intercompany and other accounts receivable and payable, cash and bank balances and loans from related parties.

All such instruments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial instruments are subsequently carried at amortised cost using the effective interest method.

3 Income from donations and legacies

	Unrestricted		Total	Total
	General	Restricted	2024	2023
	£	£	£	£
Arts Council England - core grant	3,576,745	-	3,576,745	3,578,043
GMBC - core grant	187,534	-	187,534	187,534
Community Foundation - The Glasshouse Fund	646,424	-	646,424	662,961
Other income from donations and legacies	1,717,895	483,851	2,201,746	1,479,980
	<u>6,128,598</u>	<u>483,851</u>	<u>6,612,449</u>	<u>5,908,518</u>

North Music Trust

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

North Music Trust is the sole beneficiary of The Glasshouse International Centre for Music Fund, which is a restricted fund at the Community Foundation serving Tyne & Wear and Northumberland (registered charity number 700510). This fund was created from donations and sponsorship monies given to support the work of The Glasshouse International Centre for Music, some of which resulted in naming privileges to parts of the The Glasshouse building and related facilities. From this fund, North Music Trust derived income totalling £646,424 (2023: £662,961) in the year.

4 Income from charitable activities

	Unrestricted funds General £	Total 2024 £
Income from performance programming and Make Music activities	<u>6,000,972</u>	<u>6,000,972</u>
	Unrestricted funds General £	Total 2023 £
Income from performance programming and Make Music activities	<u>4,855,674</u>	<u>4,855,674</u>

5 Income from other trading activities

	Unrestricted General £	Total 2024 £	Total 2023 £
Conferences and events	824,138	824,138	602,288
Catering income	1,715,668	1,715,668	1,126,875
Car park income	139,415	139,415	151,159
Retail sales	<u>46,720</u>	<u>46,720</u>	<u>13,521</u>
	<u>2,725,941</u>	<u>2,725,941</u>	<u>1,893,843</u>

6 Investment income

	Unrestricted funds General £	Endowment funds Permanent £	Total 2024 £	Total 2023 £
Income from dividends; Dividends receivable from other listed investments	-	243,335	243,335	161,994
Interest receivable and similar income; Interest receivable on bank deposits	<u>247,151</u>	<u>-</u>	<u>247,151</u>	<u>45,028</u>
	<u>247,151</u>	<u>243,335</u>	<u>490,486</u>	<u>207,022</u>

North Music Trust

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

7 Expenditure on raising funds - fundraising

	Direct costs £	Allocated support costs £	Total 2024 £	Total 2023 £
Costs of generating donations and legacies	189,875	155,091	344,966	260,733
Investment management costs	26,536	-	26,536	25,766
	<u>216,411</u>	<u>155,091</u>	<u>371,502</u>	<u>286,499</u>

8 Expenditure on raising funds - trading activities

	Note	Unrestricted funds General £	Total 2024 £	Total 2023 £
Other resources expended		1,764,704	1,764,704	1,049,403
Allocated support costs	10	387,728	387,728	310,822
		<u>2,152,432</u>	<u>2,152,432</u>	<u>1,360,225</u>

9 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £
Provision of charitable activities	13,247,344	483,851	13,731,195

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Provision of charitable activities	11,785,153	632,725	12,417,878

North Music Trust

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

	Activity undertaken directly £	Activity support costs £	2024 £	2023 £
Performance Programming - classical	3,918,153	2,820,284	6,738,437	5,878,784
Performance Programming - popular and contemporary	932,503	2,820,284	3,752,787	3,376,300
Make Music - Young People Programme	1,438,263	1,183,444	2,621,707	2,576,879
Make Music - Public Engagement Programme	167,758	387,728	555,486	557,415
Other costs	62,778	-	62,778	28,500
	<u>6,519,455</u>	<u>7,211,740</u>	<u>13,731,195</u>	<u>12,417,878</u>

10 Analysis of governance and support costs

	Cost of Raising funds £	Trading Activities £	Charitable Activities £	Total £	2023 £
Building services	40,784	101,960	1,896,452	2,039,196	1,969,459
Depreciation	10,686	26,714	496,879	534,279	674,202
Direction and policy	14,077	35,198	654,688	703,963	734,190
Finance and audit fee	10,120	25,300	470,574	505,994	485,951
People Team	5,237	13,091	243,498	261,826	322,881
Irrecoverable VAT	7,528	18,819	350,038	376,385	359,458
IT	11,538	28,844	536,501	576,883	502,823
Marketing and CE	28,352	70,879	1,318,351	1,417,582	1,153,137
Strategy & external relations	13,934	34,835	647,924	696,693	647,197
Technology	12,835	32,088	596,835	641,758	4,630
	<u>155,091</u>	<u>387,728</u>	<u>7,211,740</u>	<u>7,754,559</u>	<u>6,853,928</u>

North Music Trust

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

11 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024	2023
	£	£
Operating leases - other assets	13,733	13,297
Audit fees	34,000	21,570
Other non-audit services	1,600	1,250
Depreciation of fixed assets	534,503	611,326
Amortisation	-	159

12 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year (2023: £Nil).

The amount expenses waived by the trustees during the year totalled £5,526 (2023 - £2,021).

North Music Trust

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

13 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	6,893,829	5,837,195
Social security costs	551,973	491,689
Pension costs	291,405	256,185
	<u>7,737,207</u>	<u>6,585,069</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Performance and programme	57	56
Make Music	79	72
Management and Admin	86	74
Customer Services	183	143
	<u>405</u>	<u>345</u>

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£60,001 - £70,000	-	2
£70,001 - £80,000	2	-
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
£100,001 - £110,000	2	1

The total employee benefits of the key management personnel of the group were £535,832 (2023 - £470,515).

14 Taxation

The group is a registered charity and is therefore potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

North Music Trust

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

15 Intangible fixed assets

Group

Software & Website Development costs of £60,163 which were previously capitalised have been fully amortised.

16 Tangible fixed assets

Group

	Leasehold property improvements £	Furniture and equipment £	Assets under construction £	Instruments £	Total £
Cost					
At 1 April 2023	3,771,214	4,534,274	592,346	617,624	9,515,458
Additions	223,591	413,424	63,457	-	700,472
Transfers	498,321	100,000	(598,321)	-	-
At 31 March 2024	4,493,126	5,047,698	57,482	617,624	10,215,930
Depreciation					
At 1 April 2023	1,207,437	3,336,975	-	414,260	4,958,672
Charge for the year	233,866	300,413	-	12,670	546,949
At 31 March 2024	1,441,303	3,637,388	-	426,930	5,505,621
Net book value					
At 31 March 2024	3,051,823	1,410,310	57,482	190,694	4,710,309
At 31 March 2023	2,563,777	1,197,299	592,346	203,364	4,556,786

North Music Trust

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

Company

	Leasehold property improvements £	Furniture and equipment £	Assets under construction £	Instruments £	Total £
Cost					
At 1 April 2023	3,771,214	3,771,007	592,346	617,624	8,752,191
Additions	223,591	373,753	35,423	-	632,767
Transfers	498,321	100,000	(598,321)	-	-
At 31 March 2024	4,493,126	4,244,760	29,448	617,624	9,384,958
Depreciation					
At 1 April 2023	1,207,437	2,580,547	-	414,260	4,202,244
Charge for the year	233,866	287,968	-	12,670	534,504
At 31 March 2024	1,441,303	2,868,515	-	426,930	4,736,748
Net book value					
At 31 March 2024	3,051,823	1,376,245	29,448	190,694	4,648,210
At 31 March 2023	2,563,777	1,190,460	592,346	203,364	4,549,947

17 Fixed asset investments

Group

	2024 £	2023 £
Other investments	5,547,520	5,245,084

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 April 2023	5,245,084	5,245,084
Revaluation	333,906	333,906
Additions	1,153,138	1,153,138
Disposals	(1,184,608)	(1,184,608)
At 31 March 2024	5,547,520	5,547,520
Net book value		
At 31 March 2024	5,547,520	5,547,520
At 31 March 2023	5,245,084	5,245,084

North Music Trust

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

Company

	2024 £	2023 £
Shares in group undertakings and participating interests	2	2
Other investments	5,547,520	5,245,084
	<u>5,547,522</u>	<u>5,245,086</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 April 2023	<u>2</u>	<u>2</u>
At 31 March 2024	<u>2</u>	<u>2</u>
Net book value		
At 31 March 2024	<u>2</u>	<u>2</u>
At 31 March 2023	<u>2</u>	<u>2</u>

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 April 2023	5,245,084	5,245,084
Revaluation	333,906	333,906
Additions	1,153,138	1,153,138
Disposals	<u>(1,184,608)</u>	<u>(1,184,608)</u>
At 31 March 2024	<u>5,547,520</u>	<u>5,547,520</u>
Net book value		
At 31 March 2024	<u>5,547,520</u>	<u>5,547,520</u>
At 31 March 2023	<u>5,245,084</u>	<u>5,245,084</u>

North Music Trust

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

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2024	2023	
Subsidiary undertakings					
Music North Limited	United Kingdom	Ordinary	100%	100%	Supporting activities to the performing arts
Royal Northern Sinfonia	United Kingdom	Ordinary	100%	100%	Performances for the Royal Northern Sinfonia

North Music Trust

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

Subsidiaries

The profit for the financial period of Music North Limited was £921,512 (2023 - £817,069) and the aggregate amount of capital and reserves at the end of the period was £994,537 (2023 - £897,950).

The profit for the financial period of Royal Northern Sinfonia was £829,497 (2023 - £582,839) and the aggregate amount of capital and reserves at the end of the period was £2,287,187 (2023 - £1,457,690).

Reserves within Royal Northern Sinfonia are significant due to the timing of the receipt of the orchestral Tax Relief. The 2024 year end reserves includes two years worth of claims that were not yet received.

18 Stock

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Finished goods	<u>43,910</u>	<u>55,419</u>	<u>-</u>	<u>-</u>

19 Debtors

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Trade debtors	469,723	161,941	251,754	123,944
Due from group undertakings	-	-	245,868	501,157
Prepayments	2,629,156	2,083,054	116,849	202,697
Other debtors	<u>78,387</u>	<u>28,264</u>	<u>78,387</u>	<u>28,261</u>
	<u>3,177,266</u>	<u>2,273,259</u>	<u>692,858</u>	<u>856,059</u>

20 Cash and cash equivalents

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Cash on hand	27,265	55,460	8,212	21,131
Cash at bank	<u>7,940,347</u>	<u>9,116,684</u>	<u>6,788,751</u>	<u>7,908,437</u>
	<u>7,967,612</u>	<u>9,172,144</u>	<u>6,796,963</u>	<u>7,929,568</u>

North Music Trust

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

21 Creditors: amounts falling due within one year

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	268,968	442,548	261,639	431,962
Other loans	79,220	76,714	79,220	76,714
Other taxation and social security	302,969	171,975	183,143	172,266
Other creditors	39,133	41,109	39,133	41,109
Accruals and deferred income	<u>3,236,181</u>	<u>2,942,290</u>	<u>2,883,994</u>	<u>2,586,122</u>
	<u>3,926,471</u>	<u>3,674,636</u>	<u>3,447,129</u>	<u>3,308,173</u>

Deferred income

Group

	2024	2023
	£	£
Deferred income at 1 April 2023	2,513,110	1,966,577
Resources deferred in the period	2,564,368	2,015,528
Amounts released from previous periods	<u>(2,478,929)</u>	<u>(1,468,995)</u>
Deferred income at year end	<u>2,598,549</u>	<u>2,513,110</u>

Company

	2024	2023
	£	£
Deferred income at 1 April 2023	2,215,046	1,843,220
Resources deferred in the period	2,280,764	7,841,285
Amounts released from previous periods	<u>(2,194,396)</u>	<u>(7,469,459)</u>
Deferred income at year end	<u>2,301,414</u>	<u>2,215,046</u>

Deferred Income Comprises:

Advance Box Office Sales

Education fee income and hall and conference bookings invoiced in advance; and
Grant income and core funding relating to future accounting periods.

22 Creditors: amounts falling due after one year

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Other loans	<u>3,180,477</u>	<u>3,197,385</u>	<u>3,180,477</u>	<u>3,197,385</u>

North Music Trust

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

Other loans comprise £79,220 (2023: £154,671) which are repayable in annual instalments until 1 April 2024 and bear interest annually at a rate of 1.62%. A further loan of £3,000,000 was taken out on 10 March 2021 to support and maintain the cultural ecology of the charity. The loan is repayable in bi-annual instalments until 10 March 2041, commencing from 1 February 2025. The loan bears interest annually at a rate of 2%. The loan balance above includes accumulated interest of £180,477 (2023: £119,428).

23 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2024 £	2023 £	2024 £	2023 £
Other				
Within one year	14,668	10,728	14,668	10,728
Between one and five years	26,748	2,569	26,748	2,569
	<u>41,416</u>	<u>13,297</u>	<u>41,416</u>	<u>13,297</u>

24 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £291,405 (2023 - £256,185).

Contributions totalling £37,174 (2023 - £33,736) were payable to the scheme at the end of the year and are included in creditors.

25 Commitments

Group

Capital commitments

The total amount contracted for but not provided in the financial statements was £28,000 (2023 - £127,819).

Company

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2023 - £127,819).

North Music Trust

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

26 Funds

Group

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
Unrestricted funds						
<i>General</i>						
Unrestricted Funds	2,128,801	15,102,662	(15,744,742)	123,153	-	1,609,874
<i>Designated</i>						
Fixed Asset Fund	3,962,624	-	-	142,109	-	4,104,733
Designated Financial Security Fund	500,000	-	-	-	-	500,000
	4,462,624	-	-	142,109	-	4,604,733
Total unrestricted funds	6,591,425	15,102,662	(15,744,742)	265,262	-	6,214,607
Restricted funds						
Forestage Lift	594,162	-	-	(16,620)	-	577,542
In Harmony	-	250,324	(250,324)	-	-	-
Centre for Advanced Training	-	172,050	(172,050)	-	-	-
David Goldman Awards	-	26,912	(26,912)	-	-	-
Community Music Sparks	-	11,120	(11,120)	-	-	-
CoMusica - National Foundation for Youth Music	-	23,445	(23,445)	-	-	-
Total restricted funds	594,162	483,851	(483,851)	(16,620)	-	577,542
Endowment funds						

North Music Trust

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

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2024 £
<i>Permanent</i>						
Endowment Funds	7,245,084	243,335	(26,536)	(248,642)	334,279	7,547,520
Total funds	<u>14,430,671</u>	<u>15,829,848</u>	<u>(16,255,129)</u>	<u>-</u>	<u>334,279</u>	<u>14,339,669</u>

North Music Trust

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

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
<i>General</i>						
Unrestricted Funds	3,373,173	12,070,338	(13,406,111)	91,401	-	2,128,801
<i>Designated</i>						
Fixed Asset Fund	3,847,702	-	-	114,922	-	3,962,624
Designated Financial Security Fund	500,000	-	-	-	-	500,000
	4,347,702	-	-	114,922	-	4,462,624
Total unrestricted funds	7,720,875	12,070,338	(13,406,111)	206,323	-	6,591,425
Restricted funds						
Forestage Lift	588,890	-	-	5,272	-	594,162
In Harmony	-	199,972	(199,972)	-	-	-
Centre for Advanced Training	-	201,005	(201,005)	-	-	-
David Goldman Awards	-	27,601	(27,601)	-	-	-
Community Music Sparks	-	32,383	(32,383)	-	-	-
CoMusica - National Foundation for Youth Music	-	171,764	(171,764)	-	-	-
Capital Project	44,448	-	-	(44,448)	-	-
Total restricted funds	633,338	632,725	(632,725)	(39,176)	-	594,162
Endowment funds						
<i>Permanent</i>						
Endowment Funds	7,556,319	161,994	(25,766)	(167,147)	(280,316)	7,245,084
Total funds	15,910,532	12,865,057	(14,064,602)	-	(280,316)	14,430,671

North Music Trust

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

The specific purposes for which the funds are to be applied are as follows:

Designated funds

The fixed asset fund represents the value of fixed assets held on the balance sheet, and the financial security fund is a fund designated by trustees to be used in the event of any financial difficulties which may arise in the future.

Restricted funds

Forestage lift is funding used to purchase the lift, with depreciation charged against the fund each year. The two grants used to purchase the asset have been combined into one fund to represent the underlying asset. All other restricted funds related to revenue projects for a variety of programmes, the activities of which are described in the trustees report.

Transfers related to the completion of the Capital Project.

North Music Trust

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

27 Analysis of net assets between funds

Group

	Unrestricted funds General £	Restricted funds £	Endowment funds £	Total funds at 31 March 2024 £
Tangible fixed assets	4,132,767	577,542	-	4,710,309
Fixed asset investments	-	-	5,547,520	5,547,520
Current assets	9,188,788	-	2,000,000	11,188,788
Current liabilities	(3,926,471)	-	-	(3,926,471)
Creditors over 1 year	(3,180,477)	-	-	(3,180,477)
Total net assets	6,214,607	577,542	7,547,520	14,339,669
	Unrestricted funds General £	Restricted funds £	Endowment funds £	Total funds at 31 March 2023 £
Tangible fixed assets	3,962,624	594,162	-	4,556,786
Fixed asset investments	-	-	5,245,084	5,245,084
Current assets	9,500,822	-	2,000,000	11,500,822
Current liabilities	(3,674,636)	-	-	(3,674,636)
Creditors over 1 year	(3,197,385)	-	-	(3,197,385)
Total net assets	6,591,425	594,162	7,245,084	14,430,671

North Music Trust

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

28 Analysis of net funds

Group

	At 1 April 2023 £	Financing cash flows £	Other non cash changes £	At 31 March 2024 £
Cash at bank and in hand	9,172,144	(1,204,532)	-	7,967,612
Debt due within one year	(76,714)	76,704	(79,210)	(79,220)
Debt due after more than one year	(3,197,385)	-	16,908	(3,180,477)
Net funds	<u>5,898,045</u>	<u>(1,127,828)</u>	<u>(62,302)</u>	<u>4,707,915</u>
	At 1 April 2022 £	Financing cash flows £	Other non cash changes £	At 31 March 2023 £
Cash at bank and in hand	9,508,224	(336,080)	-	9,172,144
Debt due within one year	(190,043)	75,491	37,838	(76,714)
Debt due after more than one year	(3,099,838)	-	(97,547)	(3,197,385)
Net funds	<u>6,218,343</u>	<u>(260,589)</u>	<u>(59,709)</u>	<u>5,898,045</u>

29 Related party transactions

Group

Company

During the year the company made the following related party transactions:

During the year, the company made purchases of £739,556 (2023: £746,922) from Gateshead Energy Company Limited, a company under common directorship. Payments made in the year totalled £782,938 (2023: £717,415) and the amount owed at the year end, included within the company's creditors, totalled £65,870 (2023: £57,913).

During the course of the year, the company made payments on behalf of the subsidiary, Music North Limited, totalling £610,232 (2023: £638,356). Receipts from the subsidiary against these payments totalled £946,512 (2023: £2,529,181) and the amount owed at the year end, included within the company's creditors, totalled £28,395 (2023: £126). The company also received donations of £824,925 (2023: £83,564) from the subsidiary in the year, no amounts remain outstanding in respect of these donations at the balance sheet date.

At the year end, the company was owed £245,868 (2023: £415,260) from its subsidiary Royal Northern Sinfonia Limited, included within the company's debtors. At the balance sheet date the amount due to/from was £Nil (2023 - £Nil).

North Music Trust

Comparative Consolidated Statement of Financial Activities for the Year Ended 31 March 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Endowment £	Total 2023 £
Income and Endowments from:					
Donations and legacies	3	5,275,793	632,725	-	5,908,518
Charitable activities	4	4,855,674	-	-	4,855,674
Other trading activities	5	1,893,843	-	-	1,893,843
Investment income	6	45,028	-	161,994	207,022
Total income		<u>12,070,338</u>	<u>632,725</u>	<u>161,994</u>	<u>12,865,057</u>
Expenditure on:					
Raising funds	7	(260,733)	-	(25,766)	(286,499)
Charitable activities	9	(11,785,153)	(632,725)	-	(12,417,878)
Other expenditure	8	<u>(1,360,225)</u>	<u>-</u>	<u>-</u>	<u>(1,360,225)</u>
Total expenditure		(13,406,111)	(632,725)	(25,766)	(14,064,602)
Gains/losses on investment assets		<u>-</u>	<u>-</u>	<u>(280,316)</u>	<u>(280,316)</u>
Net expenditure		(1,335,773)	-	(144,088)	(1,479,861)
Transfers between funds		<u>206,323</u>	<u>(39,176)</u>	<u>(167,147)</u>	<u>-</u>
Net movement in funds		(1,129,450)	(39,176)	(311,235)	(1,479,861)
Reconciliation of funds					
Total funds brought forward		<u>7,720,875</u>	<u>633,338</u>	<u>7,556,319</u>	<u>15,910,532</u>
Total funds carried forward	26	<u>6,591,425</u>	<u>594,162</u>	<u>7,245,084</u>	<u>14,430,671</u>