

SOUND CONNECTIONS
(A company limited by guarantee)

Annual Report and Unaudited Financial Statements
For the Year Ended 31 March 2022

Charity number 1095947
Company number 04561825 (England & Wales)

SOUND CONNECTIONS

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Legal and Administrative Information

Year ended 31 March 2022

Charity Legal Name:	Sound Connections
Charity registration number:	1095947
Company registration number:	04561825 (England & Wales)
Trustees	N York – Chair S Alleyene – appointed on 29 July 2021 P Bell – resigned on 11 May 2021 E Bokuma Lenda S Caballero – resigned on 25 May 2022 A Frame R Green – appointed on 29 July 2021 G Knox S Mattock M Mizzi N Senok
Company Secretary	P Flood
Senior Management Team	P Flood - Director J Raven – Deputy Director L Coomb – Programme Manager A Porter – Programme Manager
Registered office & operational address:	3 rd Floor Rich Mix 35-47 Bethnal Green Road London E1 6LA
Independent Examiners:	Simpson Wreford LLP Chartered Accountants Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS

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Report of the Directors (Trustees)

Year ended 31 March 2022

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic or Ireland (FRS102).

Structure, Governance and Management

Governing document

Sound Connections is a charitable company limited by guarantee, incorporated on 14 October 2002. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the Company being wound up each of the Members are required to contribute an amount not exceeding £1. Its operational address is currently at 3rd Floor, Rich Mix, 35-47 Bethnal Green Road, London, E1 6LA

The charity is managed by its trustees who constitute the board of directors and have been appointed in accordance with the charity's Articles of Association. The directors in office during the year ended 31 March 2022 were as follows:-

N York – Chair
S Alleyene – appointed on 29 July 2021
P Bell – resigned on 11 May 2021
E Bokuma Lenda
S Caballero – resigned on 25 May 2022
A Frame
R Green – appointed on 29 July 2021
G Knox
S Mattock
M Mizzi
N Senok

The day-to-day management is carried out by P Flood.
The registered office is disclosed on the information page.

Recruitment and Appointment of Trustees

The Directors of the Company are also Charity Trustees for the purposes of charity law.

We welcomed Shakira Alleyene and Rudy Green as new trustees.

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Report of the Directors (Trustees)

Year ended 31 March 2022

Staff

During the year we had several staff changes and developments. We welcomed Isabella Kernot as deputy director (maternity cover), Sarah Grainger-Jones to the new role of Programme Manager for Children and Young People, and Jasmine Padda as Marketing and Communications Coordinator. We also continued our relationship with Vanessa Stansall and Brenda Rattray as our workforce Curators.

We continued to develop our Associate Consultant list to reflect an increase in demand and the need for specialist skills and experience.

Organisational Structure

Sound Connections currently has a board of ten Trustees who meet (at least) quarterly and are responsible for the strategic direction and policy of the charity. All Trustees have considerable experience and expertise related to the charity's business and needs.

Responsibility for the provision of services and the general running of the Charity rests with the Director along with Senior Managers. The Director is responsible for ensuring key performance indicators / targets are met and that funders are kept fully apprised of the results of their projects. The Managers are responsible for the day to day running of the various programmes and the supervision of staff and contracted workers employed to deliver those services

Related Parties

Our Trustee Esther Bokuma Lenda was paid £450 in the year for providing youth voice training.

Objectives and activities

Mission, vision and strands of work

Our vision is for a fair and equitable world in which music and creativity support children and young people to thrive as active, happy, and fulfilled people.

Our mission is to ensure that all children and young people can experience music and creative opportunities that are relevant to them and responsive to their needs in a changing world.

Our values

- We are collaborative: We believe learning from others and sharing power creates the biggest change.
- We are inclusive: We demonstrate our genuine commitment to inclusion and equity inside out.
- We are innovative: We seize opportunities for change through our dynamism and flexibility.

Our context

Our work strategically responds to the existing landscape:

- The lack of diversity and representation across music education and wider cultural opportunities for children and young people.
- The prevalence of systemic injustice and discrimination across music education and opportunities.

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Report of the Directors (Trustees)

Year ended 31 March 2022

- The lack of widespread effective youth voice practice.
- Evidence that many people beyond the music sector don't understand, value or invest in the holistic benefits and importance of music and creativity in young people's lives.

Who we work with

- We collaborate with young people. We listen to and amplify their voices, so they are at the heart of decision-making. We support a diverse community of young creatives through training, bursaries, mentoring and paid work experience.
- We equip the music workforce with knowledge, skills, and confidence so they can be inclusive, relevant, and engaging in their work with children and young people. We do this through training, networking, bursaries, mentoring and resources.
- We support and challenge the music and creative sector to innovate and evolve. We support music education and community organisations, and those in the wider creative and cultural sector, through consultancy, organisational development and thought leadership.

Achievements and Performance – the year in brief

Our work with children and young people

Wired4Music is a thriving network engaging over 1,000 young people from all of London's 32 Boroughs with a core group of 100 young people. 63% female, 36% male and 1% non-binary. 69% of members are from Black, Asian and Ethnically diverse backgrounds and 85% are from economically deprived backgrounds.

With the easing of COVID 19 restrictions we started to deliver face-to-face activities whilst retaining the hybrid delivery model to support young people adjust to a changed world.

Activity

We delivered:

Generate

13 young people took part in Generate from 2021-2022, with over £13,000 invested directly into young people's creativity and entrepreneurship. As part of the scheme, we offer monthly mentoring to each Generator and we also held workshops focusing on the basics of creative entrepreneurship.

Cohort one was selected in March 2021 and cohort two was selected in July 2021. Projects include events, EPs, music videos and a community music therapy project. Recipients of Generate have gone on to successfully secure funding from Next Gen and develop their creative practice independently.

Drop-Ins

As the pandemic continued, we changed how we delivered our Drop-In sessions. Over the course of 2020-2021 we replaced them with online webinars and Insta Live sessions offering a chance for members to network with professionals and other young creatives. This continued with the development of our podcast in 2021. We held our first in person 'Drop-In' November 2021 and will look at continuing with a hybrid delivery approach.

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Year ended 31 March 2022

Residencies with Rich Mix

In January 2022 we held our first in-person residency at Rich Mix in Shoreditch, working together creatively for the day within a professional venue. We invited W4M members to apply for the residencies and selected 4 artists for each event, running monthly from January to March 2022. The February and March residencies included a live showcase to friends, family and the public, for March we also included an open mic.

Allegro Festival

One of our flagship events for 2020-2021, Allegro Festival was due to take place in March 2021 in person, but due to the pandemic we took the decision to move it to Friday 30 April 2021 and host it online. Allegro was a celebration of community and creativity sharing a mixture of talks and performances from W4M members. We worked with six W4M Event Coordinators to put together the festival, supporting them to gain skills in event producing and programming. We showcased 15 artists with an audience of 216 young people.

W4M Freelance opportunities

Over the year we have offered 105 paid opportunities to the W4M community. Opportunities range from curating playlists, commissioning articles for our website and newsletters, facilitating workshops, artist residencies, producers and event support, paid event photography, supporting us with webinars and being interviewed for our podcast episodes.

We have delivered facilitator training to 5 W4M members who we have gone on to offer paid work with our Workforce team to support our consultancy work. This is an area we aim to expand and formalise, giving paid opportunities and new skills to our W4M members to become trained participation and youth voice facilitators of the future through our Cultivate programme.

We invited 3 W4M members to work with us on our flagship Inclusive Practice in Action event in April this year, a paid opportunity to support a large in-person conference, as well as taking part in 3 other online workforce sessions.

Mini-DNAs

Our mini-DNAs and mentoring for young people are a substantial and deeply meaningful area of our work. Over the past year we have offered over 200 hours of mentoring sessions to young people, providing pastoral care and signposting to other support services such as housing, financial support and mental health support to creative careers guidance and being a sounding board for ideas, ambitions and aspirations.

Podcasts

During the pandemic we developed a podcast series, In Sight, developed with, by and for our members. To date we have recorded 4 episodes with 3 available to listen to online. Topics were chosen by our members and interviewed members were paid for taking part. Topics covered include self-confidence as an artist, promotion with social media and personal wellbeing. We are excited about how these will continue and develop to include and engage more of our members.

Governance and decision-making

Over the last period, and as a result of the pandemic, board meetings have moved online. There have also been some changes in our approach to Wired4Music trustees, which previously have served for a 12-

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Report of the Directors (Trustees)

Year ended 31 March 2022

month period. Due to the pandemic, and to the fact that Trustees take time to settle in, we have increased the tenure to 24 months and successfully recruited two new young trustees in July 2021 – Shakira Alleyne and Rudy Green.

Our work with the music education workforce

As in the previous year our training and workforce development activities shifted dramatically to respond quickly, efficiently and sensitively to the challenges the COVID-19 pandemic posed to practitioners and organisations working with children and young people through music.

Activity delivered

We undertook a sector-wide needs analysis in June 2021 which revealed ongoing pandemic-related challenges, and which informed programme activity. CPD sessions shifted primarily to the Spring 2021, with some activity rescheduled for the summer term. Activity largely remained online in response to low confidence in attending face-to-face events. There was a strong desire to explore inclusive practice more deeply led to sessions exploring music and social justice with smaller groups, aiming to support participants to champion change.

Activity was in three broad areas:

Individual opportunities

- Three Early Years Music Trainees continued to undertake mentoring and training.
- Three Wired4Music members engaged to support public events as Young Producers.
- Four practitioners supported with subsidised Certificate of Music Educator places through Sage Gateshead.
- Four *Innovate* projects funded, ranging from work with ‘lockdown’ babies in Camden to inclusive Youth Voice work in Lambeth.

Public activity

- Five remote CPD events involving 107 participants.
- Inclusive Practice in Action live conference involving 60 delegates.
- Two sessions for 12 early years practitioners, exploring anti-racism.

Research

- Needs analysis led by curator Brenda Rattray and a mapping exercise of Early Years Music provision led by curator Vanessa Stansall.
- Work on Psycho-Social Sonic Mapping continued with Chrys Chijiutomi.
- Independent review of workforce programme led by Samantha Stimpson – recommendations will inform ongoing activity design.

Our work with the music education sector

Sound Connections continued to support and partner with a wide range of organisations who directly work with children and young people across London. Relationships with the 29 Music Education Hubs continued to improve with staff sitting on a number of strategic advisory groups, presenting at events and developing bespoke projects for a number of hubs.

Our work with our strategic partners continued as well as our support of small emerging grassroots organisations who were part of our Innovate partnership programme.

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Year ended 31 March 2022

Youth Music continues to be a major supporter of our work and we are thrilled that they have extended their Fund C investment for another year, until March 2023. Our relationship with Arts Council England is thriving and we developed new relationships with a number of other funders to support our work across the sector.

Sound Connections continues to be a member of Music Mark, the subject association for Music, and the Music Education Council, the national body representing music education in the UK. This enables the organisation to contribute to the national debate on music in the UK and advocate for the support of young people who are in the most challenging circumstances.

Our consultancy work

The Sound Connections consultancy service continued to go from strength to strength and for 2021-22 we delivered 54 consultancy projects for 42 organisations. Due to the ongoing Covid-19 pandemic, we had a slight shortfall for our income target due to work being postponed into 2022-2023. Our work continues to grow outside of London, with over 57% taking place outside of the capital in the past year, supporting our development as an organisation with a national and international reach.

Delivering consultancy continues to expand the reach and depth of our work, and enables us to impact positively on the music, arts and heritage sectors through bespoke training, organisational development, strategic advice, research and evaluation.

Financial Review

The attached financial statements show the current state of the charity's finances for the year ended 31 March 2022.

Incoming resources for the year totalled £638,190 of which £329,943 were for restricted purposes. Outgoing resources for the year totalled £547,097 of which £344,507 were attributable to restricted funds. Overall the accounts show a surplus for the year on unrestricted funds of £105,656. Unrestricted funds at the year-end totalled £238,885 of which £23,000 is designated.

Reserves policy

The trustees have considered the charitable company's need for reserves with reference to the major risks it faces. It has established a policy where unrestricted funds not invested in fixed assets should be at least enough to cover three months' core running expenses, with an aspiration in the coming years to build to six months.

Forecast expenditure for 2022/23 on core costs is £334,713 and therefore the target reserves are £83,678 in general funds. A designated fund was established in 2007 to provide for redundancy payments. This has been set at £23,000.

Principal funding sources

In the year ended 31 March 2022, the National Foundation for Youth Music funded around 25% of the overall charitable activities.

A New Direction, Arts Council England, Children in Need, Foyle Foundation, Harriet's Trust, Rachel Baker Memorial Charity, Noteweavers, Samuel Gardner Memorial Trust, and SCOPS Art Trust funded 45% of

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Year ended 31 March 2022

the overall income for projects designed to extend our provision for ‘hard to reach’ young people and training the workforce. Course fees, training, consultancy work, commissioned work and other income accounted for the remaining 30%.

Plans for future periods

We delivered the fourth and final year of our strategy, from April 2018 – March 2022. Our five priorities in our new business plan (2022 – 2025) are:

1. Youth Voice
2. Inclusion and Access
3. Diversity
4. Structural and systemic injustice and discrimination
5. Sector relevance, resilience and sustainability

And over the next three years we aim to:

1. Continue to use our independent status to champion change across the music education sector in order to achieve more inclusive and equitable opportunities for young people.
2. Develop our work on a national and international basis - fully transitioning from a London based organisation to a national strategic sector support organisation and a UK leader in Youth Voice.
3. Explore new digital approaches to delivery to extend our reach and broaden participant base.

Risk management

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to major risks. The principal external risk continues to be the loss of funding that supports ‘core’ or fixed costs including senior staff and work continues to aim to reduce this risk by diversifying the company’s funding and income base. Internal risks are managed by the established procedures for the authorisation of all transactions as well as a detailed system of financial and budgetary control, all of which are reviewed annually by the Senior Management Team and Trustees.

Directors (Trustees) Responsibilities

The Trustees, as set out on page 3 (who are also the directors of Sound Connections for the purposes of company law) are responsible for preparing the Directors’ (Trustees) Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP;

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Report of the Directors (Trustees)

Year ended 31 March 2022

- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue on that basis.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for 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 in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Limited liability

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up. The total number of such guarantees as at 31 March 2022 was ten.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Sound Connections charitable purpose is to provide increased access to music and musical education to young people in London, particularly those from disadvantaged backgrounds and provide them with opportunities to participate in a range of musical activities.

Independent examiners

Simpson Wreford LLP., were appointed as Independent Examiners during the year and have expressed their willingness to continue in that capacity.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of directors (trustees) on

N York
Director (Trustee)

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Independent Examiners' Report

To the Trustees of Sound Connections for the Year Ended 31 March 2022

I report to the charity trustees of the company for the year ended 31 March 2022, which are set out on pages 12 to 22.

Responsibilities and basis of report

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

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

Independent examiner's report

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

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

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Kate Taylor FCA

For and behalf of Simpson Wreford LLP, Chartered Accountants

Institute of Chartered Accounts in England and Wales

Wellesley House
Duke of Wellington Avenue
London, SE18 6SS
Dated:

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Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 March 2022

	Notes	Unrestricted Funds	Restricted Funds	Total funds 2022	Total funds 2021
		£	£	£	£
INCOME	4				
Donations and legacies		44,985	-	44,985	10,164
Charitable activities		263,262	329,943	593,205	526,206
TOTAL INCOME		308,247	329,943	638,190	536,370
EXPENDITURE ON:	6				
Raising funds		4,950	-	4,950	4,875
Charitable activities		197,640	344,507	542,147	484,523
TOTAL EXPENDITURE		202,590	344,507	547,097	489,398
NET INCOME/(EXPENDITURE)		105,657	(14,564)	91,093	46,972
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		105,657	(14,564)	91,093	46,972
RECONCILIATION OF FUNDS					
Total funds brought forward		130,228	57,621	187,849	140,877
Total funds carried forward		235,885	43,057	278,942	187,849

The results for the year derive from continuing activities, and there are no other gains or losses other than those shown above.

The notes on pages 15 to 22 form part of these financial statements.

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Balance Sheet as at 31 March 2022

	Notes	2022	2021
Fixed Assets			
Tangible assets	8	2,630	2,892
Current Assets			
Debtors	9	112,702	64,151
Cash at bank and in hand		<u>285,378</u>	<u>162,669</u>
		<u>398,080</u>	<u>226,820</u>
Creditors			
Amounts falling due within one year	10	<u>(121,768)</u>	<u>(41,863)</u>
Net current assets		<u>276,312</u>	<u>184,957</u>
Total net assets		<u>278,942</u>	<u>187,849</u>
The Funds of the Charity	11		
Unrestricted Funds		235,885	130,228
Restricted Funds		<u>43,057</u>	<u>57,621</u>
		<u>278,942</u>	<u>187,849</u>

For the year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

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

The financial statements on pages 12 to 22 were approved by the Trustees on and signed on their behalf by:

N York
Director (Trustee)

Company Number – 04561825 (England & Wales)

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Statement of Cashflows

For the year ended 31 March 2022

	Notes	2022 £	2021 £
Cash used in operating activities			
Net cash provided by/(used in) operating activities	17	<u>124,639</u>	<u>(26,653)</u>
Cash flows from investing activities			
Interest income		-	-
Purchase of tangible fixed assets		(1,930)	(4,030)
Cash provided by/ (used) in investing activities		<u>(1,930)</u>	<u>(4,030)</u>
(Decrease)/Increase in cash and cash equivalents in the year		122,709	(30,683)
Cash and cash equivalents at the beginning of the year		162,669	193,352
Total cash and cash equivalents at the end of the year		<u>285,378</u>	<u>162,669</u>

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Notes to the financial statements – Year ended 31 March 2022

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Company information

Sound Connections is a company limited by guarantee incorporated in England and Wales and registered as a charity with the Charity Commission. The registered office is 3rd Floor, Rich Mix, 35-47 Bethnal Green Road, London, E1 6LA

(a) Basis of accounting

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 (FRS102)– (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

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

The effects of events relating to the year ended 31 March 2022 which occurred before the date of approval of the financial statements by the Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2022 and the results for the year ended on that date.

Sound Connections meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

(b) Going Concern

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

(c) Fund accounting

- Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the charity. Unrestricted funds include donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal. Expenditure, which meets these criteria, is charged to the fund.

(d) Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

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Notes to the financial statements – Year ended 31 March 2022

1. Accounting Policies continued

- Grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grant income is only deferred where the donor has clearly specified that it relates to a future period.
- Incoming resources from charitable consulting activities are accounted for when earned. Consultancy income is deferred where it relates to services to be carried out in the future.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

(f) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of project size.

(g) Fixed assets

Fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any impairment losses.

It is the policy of the company to provide depreciation at the following annual rates in order to write off each asset over its estimated useful economic life. The following rates of depreciation have been applied throughout the year.

Computer equipment - 33.3% on cost

Assets with a cost of £500 or more are capitalized.

(h) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

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Notes to the financial statements – Year ended 31 March 2022

1. Accounting Policies continued

(i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Financial instruments

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition of financial liabilities

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

(l) Employee benefits

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

(m) Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2. Related Party Transactions

E Bokuma Lenda was paid £450 for youth voice training. No other trustee (or persons connected with them) received any remuneration or benefits from the charity during the year.

3. Remuneration

Remuneration of key management personnel	2022	2021
	£	£
Aggregate total	<u>97,767</u>	<u>110,469</u>

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Notes to the financial statements – Year ended 31 March 2022

4 Income	<i>Unrestricted</i>	<i>Restricted</i>	<i>2022 Total</i>	<i>2021 Total</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
4.1 Income from donations and legacies				
<i>Donations</i>	670	-	670	4,164
<i>Grant income</i>				
Harriet's Trust	10,000	-	10,000	-
A New Direction	6,565	-	6,565	-
Samuel Gardner Memorial Trust	1,750	-	1,750	1,000
Noteweavers	1,000	-	1,000	-
The Foyle Foundation	25,000	-	25,000	-
The D'Oyly Carte Charitable Trust	-	-	-	5,000
Sisters of the Holy Cross Charitable Trust	-	-	-	10,000
4.2 Income from charitable activities				
<i>Performance related grants</i>				
Youth Music - Fund C	-	159,980	159,980	159,980
Agrigento	-	-	-	14,010
Arts Council England - Emergency Funding	-	-	-	25,000
Arts Council England - Cultural Recovery Fund	82,500	-	82,500	-
Arts Council England - Hub Support Programme	-	85,150	85,150	-
Children in Need	-	21,313	21,313	21,313
The Radcliffe Trust	-	-	-	5,000
Scops Arts Trust	-	23,000	23,000	-
Rachel Baker Memorial Trust	-	37,500	37,500	25,000
<i>Consultancy and training income</i>	179,162	-	179,162	260,873
<i>Charitable rental income</i>	1,600	-	1,600	4,800
<i>Other</i>	-	3,000	3,000	230
	308,247	329,943	638,190	536,370

5 Income by activity

	<i>SCOPS Art</i>			<i>Rachel Baker Children in</i>			<i>2022</i>	<i>2021</i>
	<i>Trust</i>	<i>Arts Council</i>	<i>Fund C</i>	<i>Memorial</i>	<i>Need</i>	<i>Core</i>	<i>Total</i>	<i>Total</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Donations	-	-	-	-	-	670	670	4,164
Grant income	23,000	85,150	159,980	37,500	21,313	126,815	453,758	266,303
Consultancy fees	-	-	-	-	-	179,162	179,162	260,873
Charitable rental income	-	-	-	-	-	1,600	1,600	4,800
Other income	-	-	3,000	-	-	-	3,000	230
	23,000	85,150	162,980	37,500	21,313	308,247	638,190	536,370

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2022

6 Expenditure

	<i>2022 Total</i>	<i>2021 Total</i>	<i>Basis of support cost allocation</i>
6.1 Charitable activities			
Staff costs	224,083	203,735	
Depreciation and impairment	2,192	1,610	
Delivery of training and commissioned projects	148,096	56,878	
Other project costs	93,143	136,745	
Support costs			
Office costs	56,247	62,143	<i>Direct</i>
Premises costs	14,265	19,285	<i>Direct</i>
Governance costs	2,621	2,627	<i>Governance</i>
Accountancy	1,500	1,500	<i>Governance</i>
	<u>542,147</u>	<u>484,523</u>	
6.2			
Raising funds			
Fundraising costs	-	-	
Freelance fees	4,950	4,875	
	<u>4,950</u>	<u>4,875</u>	
Total expenditure	<u>547,097</u>	<u>489,398</u>	

7. Staff Costs

Staff numbers

Staff costs for the year were as follows:	2022	2021
	£	£
Salaries and wages	206,266	186,946
Social Security costs	13,985	12,947
Staff pension costs	3,831	3,842
	<u>224,083</u>	<u>203,735</u>

The average number of staff employed during the year, was as follows:

	2022	2021
Direct projects	8	7
Administration	2	1
	<u>10</u>	<u>8</u>

There were no employees whose annual income exceeded £60,000.

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2022

8. Tangible Fixed Assets

	Computer Equipment
Cost	
At 1 April 2021	9,246
Additions	<u>1,930</u>
At 31 March 2022	<u><u>11,176</u></u>
Depreciation	
At 1 April 2021	6,354
Charge for year	<u>2,192</u>
At 31 March 2022	<u><u>8,546</u></u>
Net Book Value	
At 31 March 2022	<u><u>2,630</u></u>
At 31 March 2021	<u><u>2,892</u></u>

9. Debtors

	2022	2021
	£	£
Trade debtors	79,539	43,098
Accrued income	29,428	16,056
Prepayments	2,835	4,035
Other debtors	900	962
	<u><u>112,702</u></u>	<u><u>64,151</u></u>

10. Creditors: Amounts Falling Due within One Year

<i>Creditors</i>	2022	2021
	£	£
Trade Creditors	23,760	18,401
Accruals	7,950	3,358
Deferred income	73,192	5,000
Social security and other tax	16,866	15,104
	<u><u>121,768</u></u>	<u><u>41,863</u></u>

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2022

11. Movement in Funds

	<i>As at 1</i>				<i>As at 31</i>
<i>Restricted funds</i>	<i>April 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>March 2022</i>
Youth Music - Fund C	17,813	162,980	(171,893)	-	8,900
Agrigento	8,620	-	(8,620)	-	-
Arts Council England - Hub Support Programme	-	85,150	(85,150)	-	-
Rachel Baker Memorial Trust	-	37,500	(25,000)	-	12,500
Scops	18,400	23,000	(19,743)	-	21,657
Children in Need	12,788	21,313	(34,101)	-	-
	57,621	329,943	(344,507)	-	43,057
<i>Unrestricted funds</i>					
<i>Core</i>	107,228	308,247	(202,590)	-	212,885
<i>Designated funds</i>					
Redundancy	23,000	-	-	-	23,000
<i>Total funds</i>	187,849	638,190	(547,097)	-	278,942

12. Material funds during the year

Youth Music

Youth Music funds the ‘Fund C’ programme with the aim of developing musical inclusion across London. This project supports children and young people, particularly those facing barriers to access, the music education workforce, and strategic work with music and cultural organisations across London. Through Fund C Sound Connections is also a founder member of the Alliance for a Musically Inclusive England.

Scops

The Scops Arts Trust provides funding for a 3-year training and professional development programme for music educators and facilitators in South East London. This project is delivered in partnership with the South Riverside Music Partnership.

ACE Hub Support Programme

The ACE Hub Support Programme was a specific grant to undertake a needs analysis and critical friend support with the Music Education Hubs across England.

Rachel Baker Memorial Trust

This is a specific grant to support the training of music teachers and music leaders, both in London and across England.

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2022

13. Share Capital

Under the Company's Articles of Association, every member of the Company undertakes to contribute to the assets of the company in the event of the same being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required not exceeding £1.

14. 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.

15. Pensions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension costs and charge shown in Note 7 represents the contributions payable by the company to the fund. The amount owed to the pension fund as at the 31 March 2022 is £224 (2020 – (£60)).

16. VAT

The charity registered for VAT in December 2019 when the charity's VAT taxable turnover reached the threshold. The amount owed to HMRC at 31 March 2022 is £13,429 (2020 – £10,473).

17. Reconciliation of net movement in funds to net cash flow from operating activities.

	2022 £	2021 £
Net movements in funds	91,093	46,972
Add back: Depreciation	2,192	1,610
(Increase)/decrease in debtors	(48,553)	(2,181)
Increase/(decrease) in creditors	79,907	(73,054)
	<u>124,639</u>	<u>(26,653)</u>