

SOUND CONNECTIONS
(A company limited by guarantee)

Annual Report and Unaudited Financial Statements
For the Year Ended 31 March 2023

Charity number 1095947
Company number 04561825 (England & Wales)

SOUND CONNECTIONS

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Legal and Administrative Information

Year ended 31 March 2023

Charity Legal Name:	Sound Connections
Charity registration number:	1095947
Company registration number:	04561825 (England & Wales)
Trustees	N York – Chair S Alleyne E Bokuma Lenda A Frame R Green 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:	1 st 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 2023

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 2023, 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 2023 were as follows:-

N York – Chair
S Alleyene
E Bokuma Lenda
S Caballero – resigned on 25 May 2022
A Frame
R Green
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 thank Shauni Cabellero for her time as a Trustee and wish her the very best in the future.

Staff

During the year we had several staff changes and developments. We welcomed back Jennifer Raven from her maternity leave to her role as Deputy Director. Tee Peters was promoted to the role of Wired4Music

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Report of the Directors (Trustees)

Year ended 31 March 2023

Producer, and we welcomed Perri Wickham as Assistant Producer. We also continued our relationship with Vanessa Stansall and Brenda Rattray as advisors on our Training and Professional Development strand of work. 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 nine 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 £3,475 in the year for providing youth voice training.

Objectives and activities

Our vision and mission

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.
- 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.

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Report of the Directors (Trustees)

Year ended 31 March 2023

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 our creative network of over 1,200 young people from all over London's 33 boroughs, with a core membership of 63 who are consistently engaging and participating in our programme. 63% are female, 34% male, and 3% are non-binary. 57% of members are from Black, Asian and Ethnically diverse backgrounds and 92% are from highly economically deprived areas in London.

Activity included:

Performance events: Delivered one major event Rich Mix, 'Sunrise Showcase' in July 2022. 15 young people came down to produce an event around showcasing music. 11 of them performed original music to a live audience and 4 of them assisted in producing video and photographic content along with gaining experience in facilitating an event. At the event there were also panel discussions about how identity and representation is portrayed in music careers and how people can take advantage of their identities as individuals/culture identity. "I loved being part of the event, and apart from gain performance experience, I have been able to bring my music to new people who got to meet me, with whom I managed to connect." (Participant).

Drop-in sessions: Delivered in-person opportunities to for young people to receive mentorship and guidance in August and September. Our members were able to network and learn from each other about how to have a sustainable music career. The focus for each month was "How to find performance opportunities", "sharing music and group feedback" as well as asking members what they would like to see in the future from our programme. "I'm quite a shy person so I was able to show off some of my music" (Attendee).

Development needs analysis (DNA) mentoring sessions: Opened up slots for 1:1 mentor sessions where, over a 20 minute call, young people can communicate their challenges and goals with the W4M team and receive bespoke advice and guidance, signposting them to people and places who can help to helpful. In addition, there is written feedback form to allow them to keep track of their progress.

Internship programme: We offered an internship opportunity to one of our core members to help the team with the marketing and programming of Wired4Music. This paid role, offered weekly mentorship sessions and experience with working in our charity.

Monthly newsletter: We delivered 17 monthly newsletters plus two additional ones to showcase Wired4Music's talented members via a shout out section as well as all of the current opportunities available

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Report of the Directors (Trustees)

Year ended 31 March 2023

for 16-25 year olds to get involved in from both our internal programming and the wider music education community.

Commissioned articles: We commissioned Wired4Music members to post written or video articles about our standout events and opportunities.

Generate: Our investment and talent development programme for Wired4Music members. Across the year 11 members were selected to take part in our Generate funding programme. This allowed acts like Nazyz Dinero (Youth Music Awards Nominee) and Mathilda Taylor, who recently held her first sold-out gig at St Mary La Strand, to further develop their project ideas. DJ Don Lon made a creative community for other DJs to network and work together in a collaborative environment, and Reckless Demeanour worked on a theatrical music concert which involved fusing musicianship with drama. Generators received between £200-1,000 for their work along with monthly mentoring and group sessions.

Young Trustees: Shakira Alleyne and Rudy Green continued to serve as Wired4Music members and young Trustees on the Sound Connections board. This is a training and development opportunity over a two-year period.

Our work with the music education workforce

Our activity continued to focus on achieving the following outcomes:

1. To improve knowledge and understanding of high quality musically inclusive practice
2. To improve skills and confidence of high quality musically inclusive practice
3. To change practice

Activity consisted of a mix of online and in-person events, mentoring programmes and funding programme Innovate. Areas included developing inclusive practice, social justice, equality, diversity, inclusion and belonging (EDIB), Early Years, youth voice and participation. We continued to work with two curators who are specialists in EDIB, social justice and Early Years to develop the programme.

The strengths of the Training and Professional Development programme have been in the following areas:

- Exploring challenging and uncomfortable topics and encouraging proactiveness and hope
- Providing a platform for under-represented voices to be heard
- Doing all of this within safe, honest spaces where delegates are encouraged to openly share and be themselves
- Providing a mix of training, reflection, and connection

Activity was in three broad areas:

Individual opportunities

- Two Early Years Music Trainees continued to undertake mentoring and training in partnership with Creative Futures.
- Three Wired4Music members engaged to support the Inclusive Practice in Action annual gathering as Young Producers.
- One practitioner supported with subsidised Certificate of Music Educator places through Sage Gateshead.
- Eight mentees from the South Riverside Music Partnership hubs supported through 1:1 mentoring sessions and two peer network meetings.

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Report of the Directors (Trustees)

Year ended 31 March 2023

- Two Innovate projects funded, ranging from work with Afghan and Syrian refugees and two autism-specialist schools.

Training and network events

- Full day, in-person Inclusive Practice in Action annual gathering curated by Brenda Rattray for 74 delegates
- 19 online and in-person training and networking events to 305 delegates across inclusive practice, social justice, early years and youth voice, curated by curators Brenda Rattray and Vanessa Stansall, and programme managers Alison Porter and Liz Coomb

Research and resources

- Continued working with Chrys Chijiutomi on the development of ‘psycho-social sonic mapping: working towards breaking cycles of injustice in music education’
- Published three resources around Global Inclusive Leadership to support the Inclusive Practice In Action annual gathering

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.

Youth Music continues to be a major supporter of our work and we continued our role as a Fund C organisation through to 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 sector support and consultancy work

We continued to focus our strategic sector support work with Music Education Hubs and wider music organisations on Youth Voice both in London and across England. We worked with two London Music Hubs, Brent and Haringey, through our Activate programme, supporting them to embed Youth Voice within their strategy and programming. We successfully delivered an Introduction to Developing your Youth Voice and Participation Strategy training session in February and programmed our first Youth Voice and Participation Network meeting.

Our consultancy strand continued to grow across the UK with clients including North Yorkshire Local Cultural Education Partnership (youth voice), English Heritage (youth voice), Live Music Now (evaluation), the National Open Youth Orchestra (evaluation) and London Music Fund (evaluation). In total our consultancy work generated over £135,000 in income.

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Report of the Directors (Trustees)

Year ended 31 March 2023

Financial Review

The attached financial statements show the current state of the charity's finances for the year ended 31 March 2023.

Incoming resources for the year totalled £354,312 of which £168,382 were for restricted purposes. Outgoing resources for the year totalled £381,148 of which £182,889 were attributable to restricted funds. Overall the accounts show a deficit for the year on unrestricted funds of £12,329 for the year. Unrestricted funds at the year-end totalled £223,556 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 2023/24 on core costs is £339,607 and therefore the target reserves are £84,902 in general funds. As we have surpassed this target we are looking at increasing our reserves policy to cover six months' core running costs over the next few years. A designated fund was established in 2007 to provide for redundancy payments.

Principal funding sources

In the year ended 31 March 2023, the National Foundation for Youth Music funded around 40% of the overall charitable activities.

Harriet's Trust, Lucille Graham Trust, Samuel Gardner Memorial Trust, Scops Trust, Sisters of the Holy Cross and The D'Oyly Carte Charitable Trust funded 18% of 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 42%.

Plans for future periods

We successfully delivered the first year of our new three-year business plan (2022-2025). Our five priorities in the business plan are:

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

From 1 April 2023 Sound Connections will receive 3 year funding from the National Foundation for Youth Music and will also become an Arts Council England National Portfolio Organisation. This investment amounts to £220,000 per year through to March 2026. This will provide a solid base for future fundraising and supports both our approach to trusts and foundations and our consultancy programme.

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Report of the Directors (Trustees)

Year ended 31 March 2023

And over the next two 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 transition 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;
- 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.

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Report of the Directors (Trustees)

Year ended 31 March 2023

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 2023 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 1 August 2023.

N York
Director (Trustee)

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Independent Examiners' Report

To the Trustees of Sound Connections for the Year Ended 31 March 2023

I report to the charity trustees of the company for the year ended 31 March 2023, 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: 5 August 2023

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Statement of Financial Activities (including Income and Expenditure Account)

Year ended 31 March 2023

	Notes	Unrestricted Funds	Restricted Funds	Total funds 2023	Total funds 2022
		£	£	£	£
INCOME	4				
Donations and legacies		41,789	-	41,789	44,985
Charitable activities		144,141	168,382	312,523	593,205
TOTAL INCOME		185,930	168,382	354,312	638,190
				-	
EXPENDITURE ON:	6				
Raising funds		6,986	-	6,986	4,950
Charitable activities		191,273	182,889	374,162	542,147
TOTAL EXPENDITURE		198,259	182,889	381,148	547,097
NET INCOME/(EXPENDITURE)		(12,329)	(14,507)	(26,836)	91,093
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		(12,329)	(14,507)	(26,836)	91,093
RECONCILIATION OF FUNDS					
Total funds brought forward		235,885	43,057	278,942	187,849
Total funds carried forward		223,556	28,550	252,106	278,942

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 2023

	Notes	2023	2022
Fixed Assets			
Tangible assets	8	643	2,630
Current Assets			
Debtors	9	90,332	112,702
Cash at bank and in hand		<u>278,212</u>	<u>285,378</u>
		<u>368,544</u>	<u>398,080</u>
Creditors			
Amounts falling due within one year	10	<u>(117,081)</u>	<u>(121,768)</u>
Net current assets		<u>251,463</u>	<u>276,312</u>
Total net assets		<u>252,106</u>	<u>278,942</u>
The Funds of the Charity	11		
Unrestricted Funds		223,556	235,885
Restricted Funds		<u>28,550</u>	<u>43,057</u>
		<u>252,106</u>	<u>278,942</u>

For the year ending 31 March 2023 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 1 August 2023 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 2023

	Notes	2023 £	2022 £
Cash used in operating activities			
Net cash provided by/(used in) operating activities	17	<u>(7,167)</u>	<u>124,639</u>
Cash flows from investing activities			
Interest income		-	-
Purchase of tangible fixed assets		-	(1,930)
Cash provided by/ (used) in investing activities		<u>-</u>	<u>(1,930)</u>
(Decrease)/Increase in cash and cash equivalents in the year		(7,167)	122,709
Cash and cash equivalents at the beginning of the year		285,378	162,669
Total cash and cash equivalents at the end of the year		<u>278,211</u>	<u>285,378</u>

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Notes to the financial statements – Year ended 31 March 2023

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 2023 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 2023 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 2023

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.

(e) 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.

(f) 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.

(g) 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 2023

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.

(j) 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.

(k) Employee benefits

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

(l) 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 £3,475 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	2023	2022
	£	£
Aggregate total	<u>87,868</u>	<u>97,767</u>

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Notes to the financial statements – Year ended 31 March 2023

4 Income	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>2023 Total</i> £	<i>2022 Total</i> £
4.1 Income from donations and legacies				
<i>Donations</i>	9,289	-	9,289	670
<i>Grant income</i>				
Harriet's Trust	15,000	-	15,000	10,000
A New Direction	-	-	-	6,565
Samuel Gardner Memorial Trust	1,500	-	1,500	1,750
Lucille Graham Trust	2,000	-	2,000	-
Noteweavers	-	-	-	1,000
The Foyle Foundation	-	-	-	25,000
The D'Oyly Carte Charitable Trust	4,000	-	4,000	-
Sisters of the Holy Cross Charitable Trust	10,000	-	10,000	-
4.2 Income from charitable activities				
<i>Performance related grants</i>				
Youth Music - Fund C	-	143,982	143,982	159,980
Arts Council England - Cultural Recovery Fund	-	-	-	82,500
Arts Council England - Hub Support Programme	-	-	-	85,150
Children in Need	-	-	-	21,313
Scops Arts Trust	-	23,000	23,000	23,000
Rachel Baker Memorial Trust	-	-	-	37,500
<i>Consultancy and training income</i>	143,943	-	143,943	179,162
<i>Charitable rental income</i>	-	-	-	1,600
<i>Other</i>	198	1,400	1,598	3,000
	185,930	168,382	354,312	638,190

5 Income by activity

	<i>SCOPS Art</i> <i>Trust</i> £	<i>Fund C</i> £	<i>Core</i> £	<i>2023 Total</i> £	<i>2022 Total</i> £
Donations	-	-	9,289	9,289	670
Grant income	23,000	143,982	32,500	199,482	453,758
Consultancy fees	-	-	143,943	143,943	179,162
Charitable rental income	-	-	-	-	1,600
Other income	-	1,400	198	1,598	3,000
	23,000	145,382	185,930	354,312	638,190

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2023

6 Expenditure

	<i>2023 Total</i>	<i>2022 Total</i>	<i>Basis of support cost allocation</i>
6.1 Charitable activities			
Staff costs	189,544	224,083	
Depreciation and impairment	1,987	2,192	
Delivery of training and commissioned projects	53,618	148,096	
Other project costs	52,528	93,143	
Support costs			
Office costs	63,307	56,247	Direct
Premises costs	9,066	14,265	Direct
Governance costs	2,612	2,621	Governance
Accountancy	1,500	1,500	Governance
	<u>374,162</u>	<u>542,147</u>	
6.2			
Raising funds			
Fundraising costs	186	-	
Freelance fees	6,800	4,950	
	<u>6,986</u>	<u>4,950</u>	
Total expenditure	<u>381,148</u>	<u>547,097</u>	

7. Staff Costs

Staff numbers

Staff costs for the year were as follows:	<i>2023</i>	<i>2022</i>
	£	£
Salaries and wages	175,614	206,266
Social Security costs	10,847	13,985
Staff pension costs	3,083	3,831
	<u>189,544</u>	<u>224,083</u>

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

	<i>2023</i>	<i>2022</i>
Direct projects	6	8
Administration	2	2
	<u>8</u>	<u>10</u>

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

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2023

8. Tangible Fixed Assets

	Computer Equipment
Cost	
At 1 April 2022	11,176
Additions	-
At 31 March 2023	<u>11,176</u>
Depreciation	
At 1 April 2022	8,546
Charge for year	<u>1,987</u>
At 31 March 2023	<u>10,533</u>
Net Book Value	
At 31 March 2023	<u>643</u>
At 31 March 2022	<u>2,630</u>

9. Debtors

	2023	2022
	£	£
Trade debtors	57,147	79,539
Accrued income	29,398	29,428
Prepayments	2,886	2,835
Other debtors	901	900
	<u>90,332</u>	<u>112,702</u>

10. Creditors: Amounts Falling Due within One Year

	£	£
Trade Creditors	5,396	23,760
Accruals	11,500	7,950
Deferred income	90,000	73,192
Social security and other tax	10,185	16,866
	<u>117,081</u>	<u>121,768</u>

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2023

11. Movement in Funds

	<i>As at 1</i>				<i>As at 31</i>
<i>Restricted funds</i>	<i>April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>March 2023</i>
Youth Music - Fund C	8,900	145,382	(152,332)	-	1,950
Rachel Baker Memorial Trust	12,500	-	(10,000)	-	2,500
Scops	21,657	23,000	(20,557)	-	24,100
	<u>43,057</u>	<u>168,382</u>	<u>(182,889)</u>	<u>-</u>	<u>28,550</u>
<i>Unrestricted funds</i>					
<i>Core</i>	<u>212,885</u>	<u>185,930</u>	<u>(198,259)</u>	<u>-</u>	<u>200,556</u>
<i>Designated funds</i>					
Redundancy	<u>23,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,000</u>
<i>Total funds</i>	<u><u>278,942</u></u>	<u><u>354,312</u></u>	<u><u>(381,148)</u></u>	<u><u>-</u></u>	<u><u>252,106</u></u>

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.

SOUND CONNECTIONS

Notes to the financial statements – Year ended 31 March 2023

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 2023 is £176 (2022 – £224).

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 2023 is £6,541 (2022 – £13,429).

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

	2023 £	2022 £
Net movements in funds	(26,836)	91,093
Add back: Depreciation	1,987	2,192
(Increase)/decrease in debtors	22,370	(48,553)
Increase/(decrease) in creditors	(4,688)	79,907
	<u>(7,167)</u>	<u>124,639</u>