

Charity no: 1103159
Company no: 4851028

ARMONICO CONSORT LIMITED
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

Year ended 31 July 2021

ARMONICO CONSORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 July 2021

INDEX TO FINANCIAL STATEMENTS AND REPORTS

	Page
Legal and Administrative Information	1
Report of the Board of Trustees and Directors	2-9
Report of the Independent Examiner	10
Statement of Financial Activities	11
Statement of Total Recognised Gains and Losses	12
Balance Sheet	13
Notes to the Financial Statements	14-17

ARMONICO CONSORT LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

For the year ended 31 July 2021

Status:

The organisation is a charitable company limited by guarantee (no. 4851028), incorporated on 30 July 2003 and registered as a charity (no. 1103159) on 13 April 2004.

The company was established under a Memorandum of Association which determined 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 members are required to contribute an amount not exceeding £10.

Directors and Trustees:

C R Monks (Chair)
J R Sampson QC
M J C Harbour CBE
J Boyden
BGO Nicholson Resigned 10 December 2021

Registered Office:

2 New Street, Warwick, CV34 4RX

Independent Examiner

Peter Georgiades FCA
Flint & Thompson, 2 Manor Square, Solihull, West Midlands, B91 3PX

Bankers:

Lloyds TSB Bank PLC, 12 Swan Street, Warwick CV34 4BJ

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS

For the year ended 31 July 2021

The Board presents its report and the financial statements of the Charity for the year ended 31 July 2021. The Financial Statements have been prepared in accordance with the accounting policies set out on page 12 and 13 and comply with the Charity's Trust Deed and applicable law.

Structure, Governance and Management

Governing Document

Armonico Consort Limited is constituted as a company limited by guarantee and was incorporated on 30th July 2003. It is governed by a Memorandum and Articles of Association.

Recruitment and Appointment of the Board

Details of the Board, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who have served throughout the period are set out on page 1.

The selection and appointment of new Board members is determined by the Board in office at that time. This policy is based on a complementary age profile, knowledge of the Charity's areas of activity, general experience in management and also to provide skills complementary to the other members of the Board.

Organisation

The Board is responsible for the strategic overview and financial oversight of Armonico Consort Limited. Day to day management of the organisation's activities is in the hands of the Artistic Director and the team of ten permanent staff members.

Risk management

The Board regularly reviews the major risks to which the charity is exposed - financial, reputational and organisational - and systems have been established to mitigate those risks. The development of a strategic plan which allows for the diversification of funding and activities has proved to be the correct way forward and the Board will be continuing on this path for the foreseeable future. Internal risks have been minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

Our Objectives and Activities

Our charity's purposes are set out in the objects contained in the company's Memorandum of Association.

The objects of the Charity are to:

- Advance, improve, develop and maintain public education and appreciation of choral and orchestral music, primarily of the renaissance and baroque periods, by promoting or participating in public concerts.
- Encourage the musical education of young people by organising and participating in a schools educational programme

When considering the charity's activities, the Trustees are mindful of the Charity Commission's guideline on public benefit.

The charity continued to develop its activities and range of its operations during the period, whilst retaining a firm hold on costs. During the period, key new major partnerships were also developed with The Royal Albert Hall's education department, and Youth Music.

ENSURING WE ACHIEVE OUR AIMS

Each year we monitor our aims and objectives by evaluating the outcomes of our services provided to ensure that we remain relevant and present to the community which we exist to serve. The charity's aims are:

"The advancement and development of public knowledge and education, through public concerts and educational programmes, in the appreciation of choral, opera, baroque and renaissance music, and the development of musical and other life skills for the physical, psychological and emotional benefit of children and adults, including those with special needs and disabilities."

ARMONICO CONSORT LIMITED

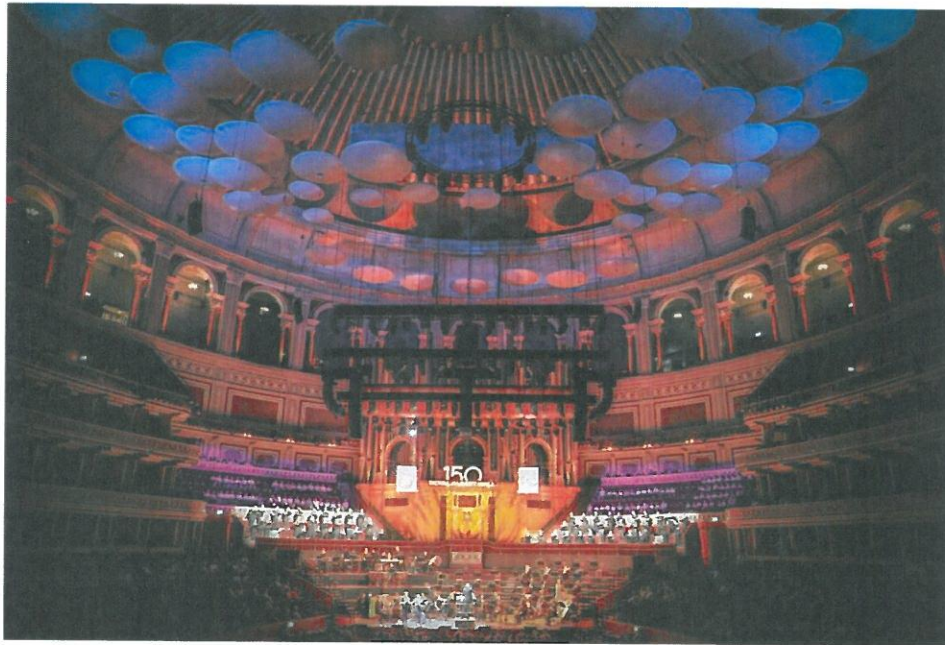
REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2021

ACHIEVEMENTS AND PERFORMANCE – AUGUST 2020–JULY 2021

Contrary to trends across the world of the arts, the Trustees, staff and artists of Armonico Consort are proud that for seven successive years the charity has grown both in breadth and quality of its provision and has continued to extend its work with well over 500,000 children having benefitted directly and indirectly from its education programme to date and well over 1,000,000 audience members. This puts the charity on a very strong footing to thrive long into the future. We are especially proud of our newest programme – The memory singers – a unique new series of choirs work for those living with dementia, this complements our choirs in the workplace aimed at addressing positive mental wellbeing, which is having a positive impact on mental health and productivity beyond our expectations. Over 3000 adults have benefitted since the programme began in May 2018.

In the financial year (commencing August 2020), Armonico Consort faced a series of major challenges to stage concerts and support our musicians. We received significant grants from the Garfield Weston Trust and Arts Council Cultural Recovery fund which enabled us to film and continue in many concerts, and we are proud that we were the first major classical concert in London following the relaxation of restrictions at the Royal Albert Hall, and we staged a socially distanced tour of Bach St Matthew Passion with Ian Bostridge. By remaining present and relevant to our audience during the lockdown period, and by expanding and developing our work in new areas of society as outlined above, audiences returned with vigour, and we witnessed ticket sale patterns stronger than anything we have witnessed in our 20 year history.



Future concert bookings have also been incredibly strong, with concert enquiries all the way to 2025 now in our diary. With 45 performances at increasingly high profile venues and almost daily radio broadcast on national and international stations, added to some significant 4 and 5 star national reviews (most recently 5 stars from BBC Music Magazine for the Supersize Polyphony CD) with more advance bookings for concerts than in previous years, there was a strong sense of confidence for the future. Having made surpluses in nine of the preceding 10 financial years, the Consort was on course to eradicate the debt incurred during the 2008 financial crisis, and to achieve a positive balance sheet, unlocking the possibility of new funding and allowing the building of strategic reserves. During the two pandemic years, we sustained two periods of operational loss, and the focus is now to achieve a positive balance sheet by the summer of 2024.

In the pre-pandemic period, the Consort was commencing a gradual expansion on relationships with music hubs, operating partnerships with the SoundStorm Music Education Hub in Dorset and Severn Arts in Worcestershire and Warwickshire during the period. This was in addition to major existing Hub partnerships in Solihull and Coventry and alongside informal partnerships with Hubs and organisations in London, Somerset and Cambridgeshire.

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2021

Armonico's relationship with the Music Faculty of the University of Cambridge continued, with the Artistic Director training MMus Choral Conducting students to be high quality youth choir leaders of the future, in addition to running seminars as part of the course. At the heart of these partnerships is Armonico Consort's unique delivery package, based around choir creation and training teachers as choir leaders, in addition to match funding and mutual marketing support. On the basis of the investment received from the hubs, the charity was able to attract further match-funding which increases considerably the scale of the provision offered.

In addition to this, we began a partnership with the Fundacione Azteca in Mexico (a music university) to train their choral conductors, and develop a programme of choir creation workshops, to mirror our work in the UK. This partnership will eventually lead to us travelling out there in 2022 to begin work on the ground. The pandemic gave a wonderful opportunity to develop relationships across the world as everyone embraced the Zoom Call, and we provided a series of lectures and masterclasses to these conductors via this format.

During the continued performing restrictions and educational restrictions, as with the previous year, we worked incredibly hard to ensure we adapted our work to ensure what we were doing was relevant and present in a fast changing society.

- We built a platform on our website which enabled us to develop a streaming service, and filmed concerts as often as possible, then made these available for sale. In addition to being engaged with by our own audiences, we had sales in Russia, Mexico, America and Europe – an unexpected and very positive consequence.
- We staged hundreds of online workshops for schools and one to one tuition with our after school singers;
- We developed a programme which allowed our singing leaders to engage with care home residents in singing workshops and rehearsals, and the workplace choirs continued online.
- We began face to face rehearsals the moment it was allowed, in a safe way in all levels, and staged the first youth choir concert in the Midlands as soon as we were allowed this was assessed by the local authority BOPA inspectors who gave us an outstanding assessment and cited it as 'good practice' which they wanted us to share around to encourage others to get music making going again.
- As with the previous year, we saw a significant decline in grants from trusts as they approached their funds with caution in an unpredictable financial climate. This issue began to ease towards the end of the year.

The Consort also gratefully acknowledges significant donations from the General Charities of the City of Coventry, the Garfield Weston Foundation, the Alan Edward Higgs Charity, and from our principal corporate sponsor, Phillips 66/JET.

The Consort also prioritised retraining some of our musicians to help deliver concert workshops for those living with dementia, following a new partnership formed during lockdown with the Alzheimer's Society as part of their "Singing for the Brain" programme. In this way the Consort was able to unlock funding and give our hard-pressed freelance musicians valuable work, which we hope will continue long into the future, as this new venture becomes a major aspect of the charity's new focus in the coming years.

Armonico Consort began discussions to develop the ensemble's status as 'Baroque Group in Residence' alongside major symphony orchestras, at principle concert partner venues including Warwick Arts Centre, Poole Lighthouse, Malvern Theatres and the Octagon in Yeovil. This will sit alongside a significant development of education work in these regions.

Armonico Consort used the necessities of this year to bring forward future changes which had already been planned to working and delivery practices, which were hugely beneficial to the number of people the charity reaches. In all, online workshops, concerts and interviews had over 500,000 interactions, increasing the impact of the Consort still further in a difficult year

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2021

Finally, we also filmed our AC Academy scholars, who through the weekly and intensive 1:1 tuition provided by our expert leaders developed significantly during this period. This film of a brand new commission 'Letter to the World' by Toby Young, has been watched over 40,000 and brought knowledge of our work with talented teenagers to the attention of a large number of people, and we are now proud that the number of AC Academy scholars has increased from 5 – 12.



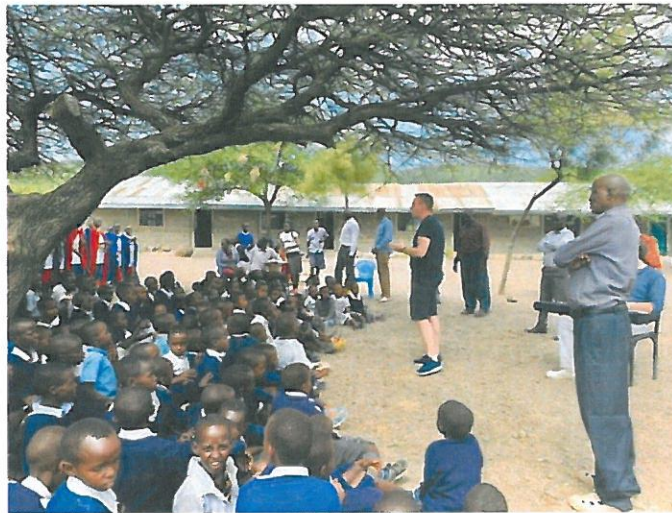
ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2021

AFRICA

Following on from the major new project which was begun in 2020, part-funded by the British Council, we have been developing links with businesses and multiple funders who can support the growth of this area, and have started a partnership with Strathmore University in Nairobi, who will provide us with a concert hall and wider support for our next planned visit in the autumn of 2022, where we will look to develop further our choir creation programme with 6 – 8 institutions, especially focusing on those who take care of street children, and those coming from abusive backgrounds.



THE VOICE SQUAD

This was the third year of a new initiative consisting of undertaking choral workshops and setting up of choirs in workplaces, training their staff as choir leaders. With the support of Coventry City Council and Arts Council England, projects were undertaken in Coventry University, the University Hospitals Coventry and Warwickshire NHS Trust and Coventry City Council which saw over 300 staff sign up to regular workshop sessions. An evaluation was then which demonstrated two clear and surprising results:

- Managers reported that the effect on positivity on the staff and their approach to work following singing workshops was considerable and had a major benefit on productivity in the workplace; and
- The staff themselves recorded a variety of significant benefits to mental health and wellbeing in the workplace.

Given that it is now a clinically established fact that singing can help the recovery of those suffering from illnesses such as depression, the Consort committed to launching a campaign to increase the amount of singing in workplaces as well as schools, using the impetus provided by Coventry's term as UK City of Culture to achieve this goal.

AC ACADEMY

The delivery of the Consort's AC Academy education outreach programme primarily focused on the restoration and recovery of singing in schools, helping both schools and teachers understand how to do it safely. We are facing a crisis as a result of the pandemic which will see almost an entire generation of junior school children who will

ARMONICO CONSORT LIMITED

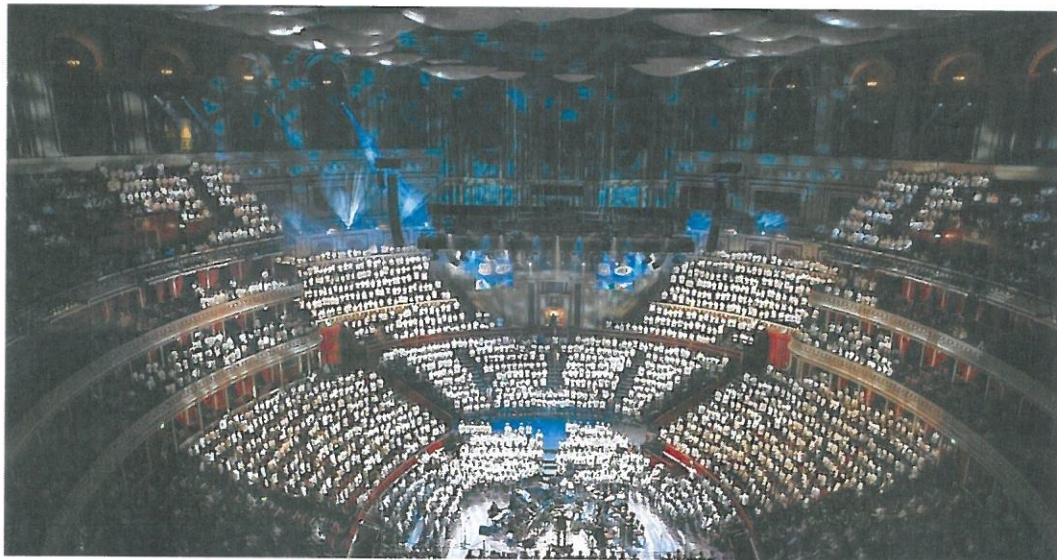
REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2021

have lost any opportunity of singing or instrumental music in schools, and it is vital that we accelerate our work in these areas to ensure especially that lack of understanding or confidence does not make this crisis worse than it actually is.

Armonico Consort has continued to develop its programme of workshops for children and young people with special educational needs (SEN). As part of this programme, AC Academy's specialist workshop leaders work with children with moderate to severe learning disabilities, physical and/or sensory impairments to create original music and lyrics as part of a fully staged musical entertainment with songs composed by the children themselves. One such song, written collaboratively with the children and based on their experiences and interests, was arranged for a band of West End players and the 2000 participating children's choir at our gala celebration concert at the Royal Albert Hall in March 2018. The children from the mainstream choir creation programme will have special backing vocals, and the audience also will be taught the chorus, so that at one point, we will have over 5000 people singing a song composed by 40 of our SEN project participants, some of whom are ordinarily unable to fully express themselves. This was the third song we have done like this and the children from mainstream schools regularly comment that it is their favourite moment in the concert, so we are pleased to have played a part in breaking down barriers between our beneficiaries. We have significant plans to develop this part of our work as we plan towards the City of Culture year in Coventry 2021 - 22 working with all 8 SEN schools in the City.

To date, over 220,000 children have directly benefited (over 500,000 indirectly from choirs we have created in the past) from the education outreach of the charity, and every year over 15,000 children benefit from the AC Academy education outreach programme.



FUNDRAISING

The development and fundraising capacity of the Consort was enhanced by the recruitment of an Individual Giving Relationship Manager in 2018, and the benefits of this appointment continued to develop, with the quality of engagement with Patrons and other key sponsors greatly increased. A part-time Development Assistant was also brought in to help with the practical tasks of fundraising, which paid dividends in terms of the number of small and medium-sized grants received in the first half of the financial year. Armonico Consort received support from over 50 individual funders during the period, and whilst the rate of income generation dropped during the pandemic as grant funders physically ceased to meet, or made decisions to safeguard or redirect their resources, it remained a particularly successful fundraising year overall, with annual income having more than doubled since the restructuring brought about by the strategic review in 2015. Philanthropic gifts, particularly in the form of concert sponsorship, continued to be important to the Consort in 2020-21, with a further expansion planned in the overall number of sponsors in the next financial year.

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2021

PLANS FOR THE FUTURE

Whilst there is clearly a need to be circumspect in our planning for the future as the world, and particularly the cultural sector, continues to recover from the impacts of the pandemic, Armonico Consort is planning for the future with confidence, not least in terms of the possibilities afforded by the Consort's 20th anniversary celebrations in September 2021. Priorities for the coming year include:

- A birthday tour of an expanded 'Supersize Polyphony' programme featuring the Colossal 53 part Biber Mass in the second half.
- Resuming relationships with existing Music Education Hubs, and researching new potential relationships, so that the development and expansion of our schools and AC Academy programme can continue;
- Building up the stream of work with older people, particularly those living with dementia and their carers, both through music workshops in care homes and through a new "Memory Choir" for those living in the community;
- Returning to Kenya for the next phase of the AC Academy Africa project, and building on collaborations such as the Orchestra of the Americas in Mexico and our work in Tel Aviv;
- Building towards the world premier of a major new work by Toby Young – 'It Takes a City' to conclude a major project funded by The Arts Council, with a performance at the Royal Albert Hall
- Building the Consort's supporter base, using the excitement of the anniversary year as a catalyst for growth, with the intention to commence a major legacy fundraising project in 2022.

FINANCIAL REVIEW

In 2008, owing to the sudden downturn in the economic climate, many grant pledges were withdrawn for work to which the Consort was already committed. In addition, loans to pump-prime key elements of our education strategy had been taken out, which also affected the balance sheet. However, since this time, performance and education work has not been detrimentally affected, due to strong guidance and leadership from the Board of trustees, and this debt stood at just over £35,000 at the start of the previous year.

The Statement of Financial Activities for the year is set out on page 11 of the financial statements. Over the period, owing to the challenging financial circumstances, the Consort made a small loss of £30,499 (2020 saw a small loss of £13,329) – given the general climate in the arts and cultural sector, this is better than initially expected. The deficit of £270,000 in 2009 has been reducing steadily over progressive years and has remained broadly static this year at -£65,982, and there is now confidence that a positive balance sheet can be achieved within the next two financial years.

All debt built up in previous years has now been restructured into low or zero interest long-term loans and repayment plans for this debt are in place. A Government-backed "Bounce Back Loan" on very favourable terms was taken out during the previous year, to aid our recovery from Covid-19, repayment of this loan has commenced.

INVESTMENT POLICY

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish.

RESERVES

On the basis that the initiatives outlined in the Board's report are realised, in the opinion of the Board the charity's available assets and future funding are adequate to fulfil the objects of the charity and its plans for the foreseeable future.

ARMONICO CONSORT LIMITED

REPORT OF THE BOARD OF TRUSTEES AND DIRECTORS (CONTINUED)

For the year ended 31 July 2021

Approval

This Report was approved by the Board of Directors and Trustees on 20 April 2022
and signed on its behalf by:

A handwritten signature in dark ink, appearing to read 'C R Monks', is written over a horizontal dotted line.

C R Monks -Chair

ARMONICO CONSORT LIMITED

REPORT OF THE INDEPENDENT EXAMINER

For the year ended 31 July 2021

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ARMONICO CONSORT LIMITED**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 July 2021 which are set out on pages 11 to 17.

Responsibilities and basis of report

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

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 company'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 statement

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 that in any material respect:

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

I have no concerns and have come across no 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.


P Georgiades FCA
Chartered Accountant
2 Manor Square
Solihull
West Midlands B91 3PX

Date: 20 April 2022

ARMONICO CONSORT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

For the year ended 31 July 2021

Incoming Resources

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income					
Voluntary income					
Grants - charitable foundations		-	49,890	49,890	97,690
Donations and legacies		166,264	-	166,264	186,989
Income from investments		-	-	-	3
Income from charitable activities:					
Concert and workshop income		88,153	225,149	313,302	274,597
Subscriptions		15,767	-	15,767	23,865
Merchandising income		2,756	-	2,756	4,940
Total Income		<u>272,940</u>	<u>275,039</u>	<u>547,979</u>	<u>588,084</u>
Expenditure	2				
Costs of generating funds:					
Fundraising and donations		60,985	-	60,985	75,376
Expenditure on charitable activities					
Concert and workshop		237,982	275,039	513,021	523,996
Governance costs		4,472	-	4,472	2,041
Total Expenditure		<u>303,439</u>	<u>275,039</u>	<u>578,478</u>	<u>601,413</u>
Net (Expenditure) / Income		(30,499)	-	(30,499)	(13,329)
Reconciliation of Funds					
Fund balances brought forward		(35,482)	-	(35,482)	(22,153)
Fund balances carried forward		<u>(65,981)</u>	<u>-</u>	<u>(65,981)</u>	<u>(35,482)</u>

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

All income and expenditure derive from continuing activities.

The notes on pages 14 to 17 form part of these financial statements.

ARMONICO CONSORT LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 July 2021

	2021	2020
	£	£
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	(30,499)	(13,329)
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(30,499)	(13,329)
	<hr/>	<hr/>

BALANCE SHEET At 31 July 2021

	Note	2021		2020	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	5		3,315		2,915
Current Assets					
Stock	6	12,158		12,242	
Debtors	7	35,816		26,906	
Cash at bank and in hand		48,919		12,869	
		<u>96,893</u>		<u>52,017</u>	
Current Liabilities					
Creditors: amounts falling due within one year	8	<u>108,172</u>		<u>29,939</u>	
Net Current Asset/(Liabilities)			<u>(11,279)</u>		<u>22,078</u>
Long Term Liabilities	9		(58,018)		(60,474)
Net Liabilities			<u>(65,982)</u>		<u>(35,481)</u>
Funds					
Unrestricted Funds			(65,982)		(35,481)
Restricted Funds			-		-
Total Funds	11		<u>(65,982)</u>		<u>(35,481)</u>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 July 2021.

The board have not required the company to obtain an audit of its financial statements for the period ended 31 July 2021 in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for;

- Ensuring that the company keeps accounting records which comply with sections 386 to 387 of the Companies Act 2006 and
- Preparing financial statements which give a true and fair view of the state of affairs of the company as of the end of each financial year in accordance with requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements were approved by the Trustees/Directors on 20 April 2022 and were signed by:



C R Monks
Director

The notes on pages 14 to 17 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 July 2021

1 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

(a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In preparing the accounts, the trustees have considered whether applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement.

(b) Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

(c) Fund accounting

General Funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated Funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Investment income and gains are allocated to the appropriate fund.

(d) Income

Voluntary income including donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Grants are matched to the expenditure to which they relate.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received from the staging of concerts, members' subscriptions and sale of merchandise.

Income from legacies is included in income when received.

(e) Expenditure

All expenditure is accounted for on an accruals basis inclusive of any VAT, which cannot be recovered, and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

ARMONICO CONSORT LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 July 2021

(f) **Tangible Fixed Assets**

Tangible fixed assets are depreciated as follows over their estimated useful lives as follows, unless it is necessary to write down assets as a result of an impairment review:

Office equipment	25% per annum of cost
Computer equipment	25% per annum of cost
Set costs	20% per annum of cost
Website costs	20% per annum of cost

(g) **Stock**

Stock comprises purchased compact discs for resale and sheet music. Stocks are valued at the lower of cost and net realisable value.

(h) **Operating Leases**

Payments made under an operating lease agreement are written off in the period to which they relate.

(i) **Pension Costs**

The company operates a defined contribution pension scheme. Contribution payable to the company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Analysis of Expenditure

	<u>Staff Costs</u>	<u>Other Direct Costs</u>	<u>Depreciation</u>	<u>2021 Total</u>	<u>2020 Total</u>
	£	£	£	£	£
Charitable Expenditure					
Concert and workshop	161,681	203,450	-	365,131	369,954
Support costs	83,218	81,260	2,281	166,759	179,978
Grants and fundraising	10,835	32,570	-	43,405	52,820
Governance costs	-	3,183	-	3,183	1,430
Total for charity	255,734	349,174	2,197	578,478	604,182

Expenditure includes:

Independent Examiner's Fee	3,180	3,200
Operating lease rentals – Land and buildings	21,000	21,000

3 Staff costs

Staff costs were as follows:

	<u>2021 £</u>	<u>2020 £</u>
Salaries and wages	222,760	227,760
Social security costs	20,080	17,573
Pension contributions	12,894	7,478
Total	255,734	252,811

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows;

	<u>2021 No</u>	<u>2020 No</u>
Administration and support	8	9
Fundraising	1	1
	9	10

No employee received more than £60,000 during the year.

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 July 2021

4. Trustees' remuneration and expenses

No member of the Board of Trustees received any remuneration and expenses during the year.

5. Tangible Fixed Assets	Set costs	Office Equipment	Computer Equipment	Website Costs	Total
Cost or valuation	£	£	£	£	£
At 31 July 2020	10,000	3,200	5,052	3,840	22,092
Additions	-	-	2,682	-	2,682
At 31 July 2021	<u>10,000</u>	<u>3,200</u>	<u>7,734</u>	<u>3,840</u>	<u>24,774</u>
Depreciation					
At 31 July 2020	10,000	2,827	3,842	2,508	19,176
Charge for the year	-	185	1,136	960	2,281
At 31 July 2021	<u>10,000</u>	<u>3,012</u>	<u>4,978</u>	<u>3,468</u>	<u>21,458</u>
Net book value					
At 31 July 2021	<u>-</u>	<u>188</u>	<u>2,755</u>	<u>372</u>	<u>3,315</u>
At 31 July 2020	<u>-</u>	<u>373</u>	<u>1,210</u>	<u>1,332</u>	<u>2,915</u>

6. Stock	2021	2020
	£	£
Compact Discs for resale	5,040	5,040
Sheet music	7,118	7,202
	<u>12,158</u>	<u>12,242</u>

7. Debtors: amounts falling due within one year	2021	2020
	£	£
Other debtors	35,543	23,563
Prepayments and accrued income	273	3,343
	<u>35,816</u>	<u>26,906</u>

8. Creditors: amounts falling due within one year	2021	2020
	£	£
Other creditors	72,411	10,769
Bank overdraft	-	-
Unsecured loans	-	-
Social security and other taxes	6,247	6,061
Accruals & deferred income	29,514	13,109
	<u>108,172</u>	<u>29,939</u>

ARMONICO CONSORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 July 2021

9. Long Term Liabilities

	2021	2020
	£	£
Bounceback Loan	49,074	50,000
Other Long Term Creditors	8,944	10,474
	<u>58,018</u>	<u>60,474</u>

10. Operating lease commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:-

	2021	2020
	£	£
Expiring:-		
Within one year	21,000	21,000
Within two to five years	<u>11,100</u>	<u>32,100</u>

11. Movements in funds

	At 1 August 2020 £	Income £	Expenditure £	At 31 July 2021 £
Unrestricted Fund:				
Unrestricted Funds	(35,481)	272,940	303,439	(65,982)
Restricted Funds:				
Grants Receivable	-	275,039	275,039	-
Total Funds	<u>(35,481)</u>	<u>547,979</u>	<u>578,480</u>	<u>(65,982)</u>

The accounting policies at Note 1(c) describe the basis of fund accounting.

12. Related Party Transactions

Mrs C R Monks is Chair of the Board of Trustees and is the wife of Mr C Monks, the Artistic Director. During the year Cherry Street Productions Limited, of which Mr Monks is a director and controlling shareholder, provided services to the value of £28,767 (2020: £28,767). At 31 July 2021 Cherry Street Productions Limited was owed £7,905 (2020: £3,001), which is included in Other Creditors under usual trading terms. Mr Monks was paid a salary in his capacity as Artistic Director of £59,543 (2020: £41,125) during the year.

13. Going concern

The accounts have been prepared on a going concern basis. This assumes that the anticipated cashflows from fundraising, educational and concert activities will be realised and financial support at the level required will continue from the charity's bankers, other lenders and creditors.

