

KINGS PLACE MUSIC FOUNDATION



**CONSOLIDATED REPORT
& FINANCIAL STATEMENTS**
FOR THE YEAR ENDED
31 MARCH 2021



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ADMINISTRATIVE & LEGAL INFORMATION

Trustees

P J Millican (Chair)
A D Millican
J Mitchell
D Jude
S Twitchin (appointed 1 July 2021)
Z E Jeyes

Secretary

Key Management Personnel

R Read
Z E Jeyes

P J Millican
A D Millican
J Price
H Wallace
N Halford
J Mitchell
D Jude
S Twitchin
Charity number
Company number
Principal address

Registered office

Auditor

Bankers

Solicitors

Managing Director (left May 2020)
Deputy Managing Director (Deputy Director
since November 2020) & Company Secretary
Executive Chair & Trustee
Trustee
Head of Finance
Executive & Artistic Director (appointed May 2020)
Commercial & Technical Director (left August 2021)
Trustee
Trustee
Trustee (appointed 1 July 2021)
1107839
05330318
Kings Place
90 York Way
London N1 3AG
c/o Dickson Minto
Broadgate Tower
20 Primrose Street
London EC2A 2EW
RSM UK Audit LLP
Chartered Accountants
1 St James Gate
Newcastle upon Tyne
NE1 4AD
Coult & Co
440 Strand
London WC2R 0QS
St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE1 3DX

KINGS PLACE MUSIC FOUNDATION

TRUSTEES' REPORT
INCLUDING DIRECTOR'S REPORT
& STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The trustees are pleased to present the annual report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the organisation's Memorandum and Articles of Association 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 (FRS 102) (effective 1 January 2019).

CHAIR'S REPORT

Recently we celebrated a 10-year journey in which we grew Kings Place from a building site to a loved, respected and award-winning music and spoken word venue in possibly the most exciting new area of London.

The success rested upon a dedicated team of people who devoted themselves to delivering a wide cross section of performances supported financially by the creation of a very successful conference business.

Shortly after celebrating our 10-year anniversary, we like all arts organisations were hit by COVID-19 which has been a life-threatening event. We have survived thanks to very tight financial control and to the morale and financial support from our wonderful audiences which has been incredibly uplifting for our team and inspiring for the future.

We have leant heavily upon DCMS's Culture Recovery Fund which has allowed us to programme many loss-making performances and has also allowed us to develop our digital platform which we will continue to work with in the years ahead. We have also been fortunate in attracting support from several trusts who value the work that we do and wished to support us through this crisis.

Whilst the course of the pandemic is still uncertain, we can see a clear path forwards and have a very exciting programme planned both for the remainder of 2021 and the next few years. We would like to thank everyone who has supported us and shown such faith in our work.

P J Millican, Executive Chair

OBJECTIVES & ACTIVITIES

Kings Place is an arts centre with a critically-acclaimed music and spoken word programme, the base for a family of ensembles and arts charities, and the home of live podcasting in the UK.

Since launching in October 2008, Kings Place has become a venue loved by a diverse range of audiences: we offer captivating, intimate experiences in our halls and people find each other in our communal spaces, used freely for meetings, homework and socialising.

Kings Place Music Foundation (KPMF) operates from Kings Place, a mixed-use development in King's Cross completed in April 2008 and fully operational from October 2008.

OUR OBJECTIVES ARE:

- To inspire, inform and delight a wide range of audiences, both in person and online, with music and spoken word events of international quality at accessible prices;
- To assert our position as a catalyst for change; a visible and dynamic arts destination for audiences and artists, local communities and business – financially sustainable and as vibrant as our home in King's Cross;

- To be a supportive hub for a host of arts and community charities; to provide spaces at no or low cost to arts and music education charities for rehearsals, mentoring, summer schools and creative development, and for local schools events;
- To be a collaborative venue partner to our Resident Aurora Orchestra and eight artistic associates;
- To provide platforms and opportunities for artists to showcase new work, and to join partners in commissioning new work for our *Unwrapped* and *Luminate* series;
- To provide a platform and hub for the podcast community in the UK;
- The objective of the trading subsidiary, Kings Place Foundation Trading Ltd is to generate revenue from room hire, conference delivery, technical services and desk hire to distribute to the charity, then used to support KPMF's objectives.

**'KINGS PLACE – THAT MOST
ADVENTUROUS AND FORWARD-
THINKING OF LONDON'S VENUES'**

Daily Telegraph 2019



VISION

We are a welcoming multi-arts venue presenting an adventurous and critically-acclaimed programme, with words and music at its heart.

Every year we curate a series of festivals to engage a breadth of different communities.

We are a place where many audiences belong, a place where people connect with their passion and no-one is lost in the crowd.

Kings Place was developed from a generous act of philanthropy. Driven by a belief that arts and culture are a fundamental part of a thriving city, our work is as vibrant as our location in King's Cross.

We are rooted in partnership and have developed a collaborative community of resident partners and artistic associates.

By opening our doors, people and creativity can flourish. We provide stages for artists, space for local communities, schools and young musicians, share our home with partners, and offer audiences unforgettable experiences.

VALUES

We value excellence.

We aim for the highest standards across everything – both on and off stage in order to provide value to our audience and partners.

We are enterprising.

Our entrepreneurial business model requires us to be innovators. We always look for better ways to help culture thrive.

We value diversity.

The greater the diversity of people and viewpoints in our organisation, our performers, partners and audiences, the stronger and more resilient we will be as an arts charity.

We are generous.

We are rooted in partnership. We extend our collaborative ethos to each other and share our building with everyone.

We are agile.

Our independent, nimble spirit is part of our DNA. We are quick to adapt to a fast-changing environment and to meeting new challenges creatively.

The group achieves its objectives by:

Providing spaces

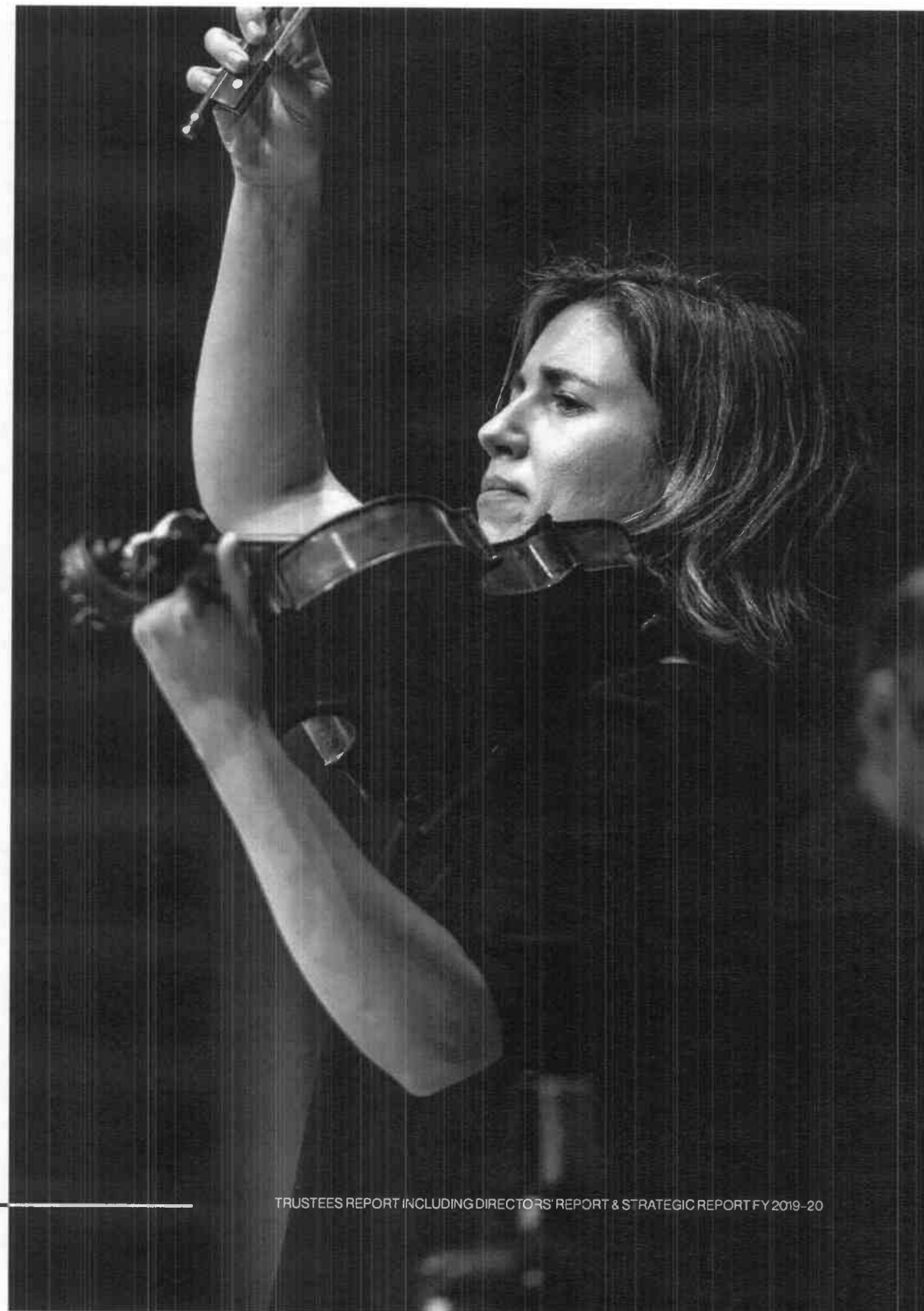
for performance, rehearsal and educational activities focusing on musical performance, spoken word, podcast and comedy.

Introducing music

to the widest possible audience. Our Learning & Participation Programme particularly focuses on children attending local schools, local residents and youth organisations.

Collaborating

with artistic and community partners to engage with a diverse range of different audiences and practitioners.



STRATEGIC REPORT

ARTISTIC DIRECTOR'S REPORT INNOVATION & RESILIENCE



CULTURAL ACTIVITY IN 2020-2021

Kings Place began the Financial Year 2020/21 in a national lockdown and almost half the team furloughed.

The physical venue was not operational, but the strategic decision was made to create an artistic digital programme and to communicate regularly with our audience.

As a relatively young organisation we needed to retain presence and profile, and to support our community of artistic associates.

As a workplace, public space and gallery, our building could not be shut down, so service charges remained and we could play a role in the civic, economic and cultural recovery of our locality.

Engaging those closest collaborators (including Aurora Orchestra, Orchestra of the Age of Enlightenment, Jewish Book Week, London Sinfonietta, and our *Nature Unwrapped* Artist-in-Residence Chris Watson), we began with a free weekly archival stream via YouTube (*Wednesday Watch*) before developing our own KPlayer platform in the summer through which ticketed streamed events became possible.

From the early Summer 2020, we supported associates by opening the hall to recordings and sharing their work, including the Riot Ensemble's *Zeitgeist* premieres, London Sinfonietta's *World Premiere Wednesdays*, and Orchestra of the Age of Enlightenment's first recorded-and-streamed *Bach, the Universe & Everything*.

An Arts Council Emergency Grant made possible the innovative 'Culture Clinics' for our partial re-opening in August 2020, whereby a bubble of up to six could enjoy a personal musical or spoken word encounter from a diverse range of performers in different spaces in Kings Place. Musicians included Cherise Adams-Burnett, Elliott Galvin, Thomas Gould, Christina McMasters, Abel Selacoe, Rakhi & Simmy Singh, and Ayanna Witter-Johnson. We did four whole days of such events, including a community day for London Borough of Islington.

Helen Wallace
Executive & Artistic Director





A HYBRID VENUE

Reopening Kings Place in September 2020 with a reduced autumn season and an enhanced digital infrastructure presented the best chance of achieving viability, while balancing compliance with COVID-19 guidelines, accessibility and the realities of a much-reduced team.

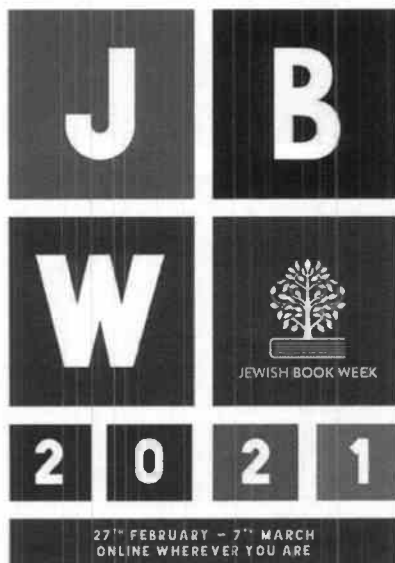
We opened on 18 September 2020 for special 'reopening' weekends with multiple events, running at 30% capacity, which included key *Nature Unwrapped* events (from I Fagiolini, Crick Crack Club, Eliza McCarthy, Aurora Orchestra, and London Sinfonietta) and the continuation of *Beethoven 250* late quartet cycle from the Brodsky Quartet.

Despite the worsening pandemic situation in October 2020, support from the first Culture Recovery Fund supported the presentation of more than 150 events before the end of March 2021, including adapted versions of the London Piano Festival, a streamed edition of EFG London Jazz Festival and our Christmas programmes. We collaborated with Robin Ince and Cosmic Shambles on a 24-hour marathon charity event in Hall Two. High profile artists in the period included Imogen Cooper, Alina Ibragimova, Sheku Kanneh-Mason, Bill Laurance, and Steven Osborne.





Lockdowns in November 2020, and then December 2020–April 2021, severely impacted our live plans, and the focus moved to the KPlayer programme. Our strategy was to build on the success of spoken word formats, particularly Steve Richards's *Rock 'n' Roli Politics*, Deborah Frances-White's *The Guilty Feminist*, and the Jewish Book Week events. From January 2021, we ran 75 events with Jewish Book Week, including the *Gamechanger* series and the entire 2021 Festival presented on KPlayer with key events streamed from Hall One and the majority on Zoom. For the first time, we could offer whole festival and day passes, an innovation made possible with the new KPlayer–Tessitura interface and unlimited ticketing.





During this period, key musical events were recorded and streamed from the hall, including Sam Lee, Aurora Orchestra's 'Lark Ascending' concert with violinist Elena Urioste, and the Holy Week sequence from The Gesualdo Six. We trialed new digital partnerships, including Folk on Foot, a series with

92Y in New York, and Protein Dance Company. A consultation with BBC's The Space highlighted the need for more broadcast training, a more flexible approach to the use of footage on social media and other platforms, and helped inform the plan to improve the audio delivery.



DIGITAL STRATEGY

This year was the first in the venue's history when we delivered double the number of sales of streamed tickets as we did in-house tickets.

It was clear that spoken word and live podcasting were the events best suited to online ticketing and those that drew the biggest audiences, as shown by the London Podcast Festival and Jewish Book Week, where the reach was international and the sales produced significant contribution.

We undertook a consultation with BBC Space to look at where we needed more training, equipment and how we could best utilize our new video on social media platforms. This led to a network upgrade plan (carried out in May 2021) including a new sound desk and to turn a break-out space into a new Outside Broadcast Room, and to a spring-clean of all SM channels.

Pricing strategies for online ranged only between £9.50 and £12.50, while week-long Jewish Book Week festival passes were sold for £125.

The digital strategy going forward must remain intimately responsive to audience behaviour.

Core principles:

- To make streams available where there is sufficient demand and events are sold out in the hall;
- To create hybrid festivals where the material is suited to an international audience and the medium;
- To archive special events and make them available either to build the Kings Place brand and/or to reward those engaged in supporting in Kings Place;
- To form partnerships and stream on other platforms as audience-building initiatives;
- To create films and live streams where artists or partners pay for the service.



OUTREACH & PARTICIPATION

Kings Place is committed to growing its engagement with the local community.

The venue continues to provide support for music education initiatives as part of the long-term vision of the charity and as a core part of its daily operations.

Kings Place has engaged with Islington's cultural educational initiative, 11x11, offering free tickets to a number of local Youth Groups and to Age Concern in Camden.

To date, Kings Place has worked with primary & secondary schools, pre-schools and families, young professionals, adult education institutions, local residents, local workers, the elderly, economically disadvantaged, those with mental health conditions and BAME (Black, Asian & Minority Ethnic) to a number of local Youth Groups.



The pandemic had a devastating impact on both our community, participation and family event plans.

During the first months of the lockdown we made free content available on our website to our whole community, including archive performances from past years and specially-created online music and spoken word events. With support from Art Council England Emergency Grant, we ran 72 free Culture Clinic sessions from August to October 2020, in which bubbles of up to six could enjoy a 20-minute personal conversation and performance by a diverse range of artists, including events for children. One whole day was done in collaboration with London Borough of Islington, and advertised through their community channels. These events set up a fascinating dialogue between the musicians and their audiences, a direct encounter and conversation in which they learnt about each other, their experiences of the pandemic and their response to the performance. It was widely acclaimed by the press, and we had glowing feedback from audiences and artists.

In our autumn opening weekends, we brought back *Groove Baby* for the under-5s with a socially-distanced audience, and *Far, Far Away* concerts with Aurora Orchestra were planned for December 2020 (later cancelled by Tier 4 restrictions).

We supported two outdoor performances of Beethoven's Symphony No. 7 in West Handyside Canopy by Aurora Orchestra in September 2020, which was free to everyone standing, and drew many passers-by and shoppers into its orbit.

We gave over venue spaces in the early months of 2021 for Aurora players to film digital versions of one or two of their *Far, Far Away* projects which will be made freely available to primary schools in due course.

Planned participation events which could not take place included Aurora's *Far, Far Away* schools concerts, recording sessions

with young people from Small Green Shoots charity, a major planned participation project with VOCES8, and three local primary schools for *Nature Unwrapped*, and collaborative events in the London Canal Museum and Camley Street Natural Park.

There was a very short period of time when free event spaces were offered to our regular music education charities, including Music Works, ChamberStudio, and International Guitar Foundation.

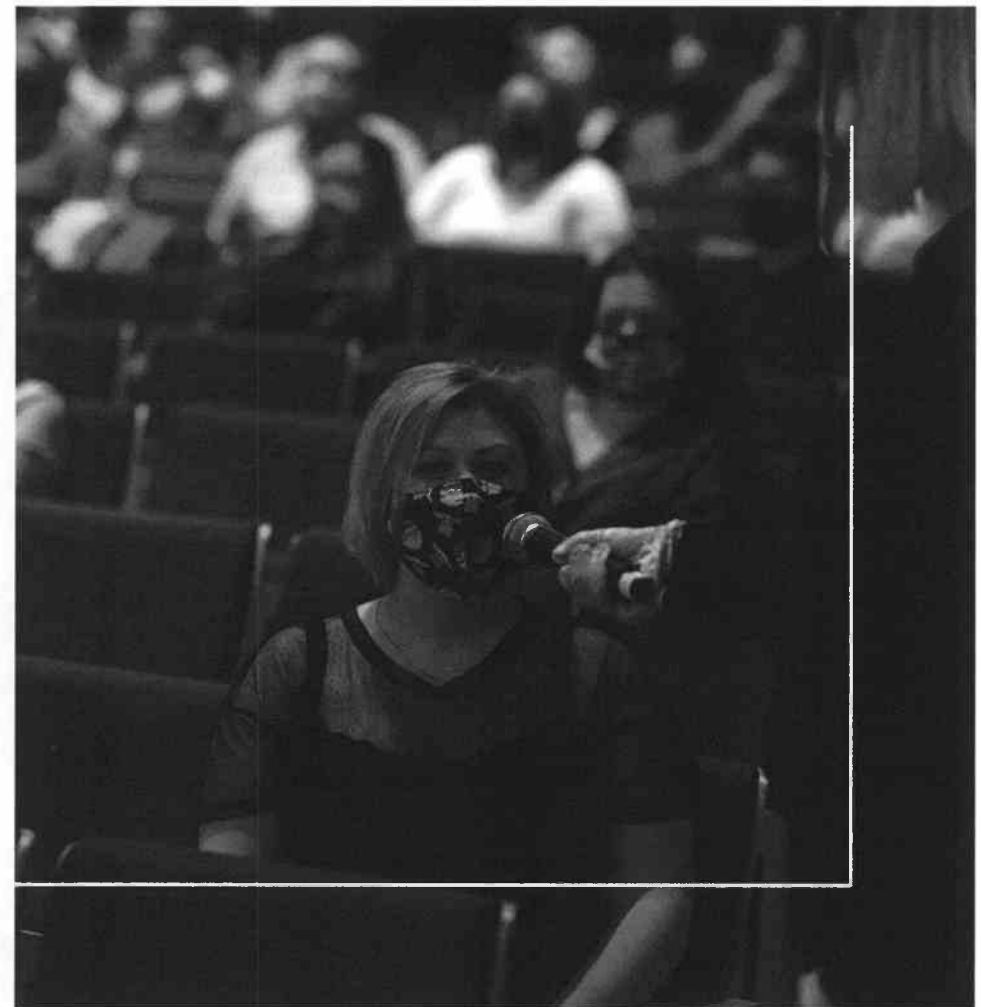
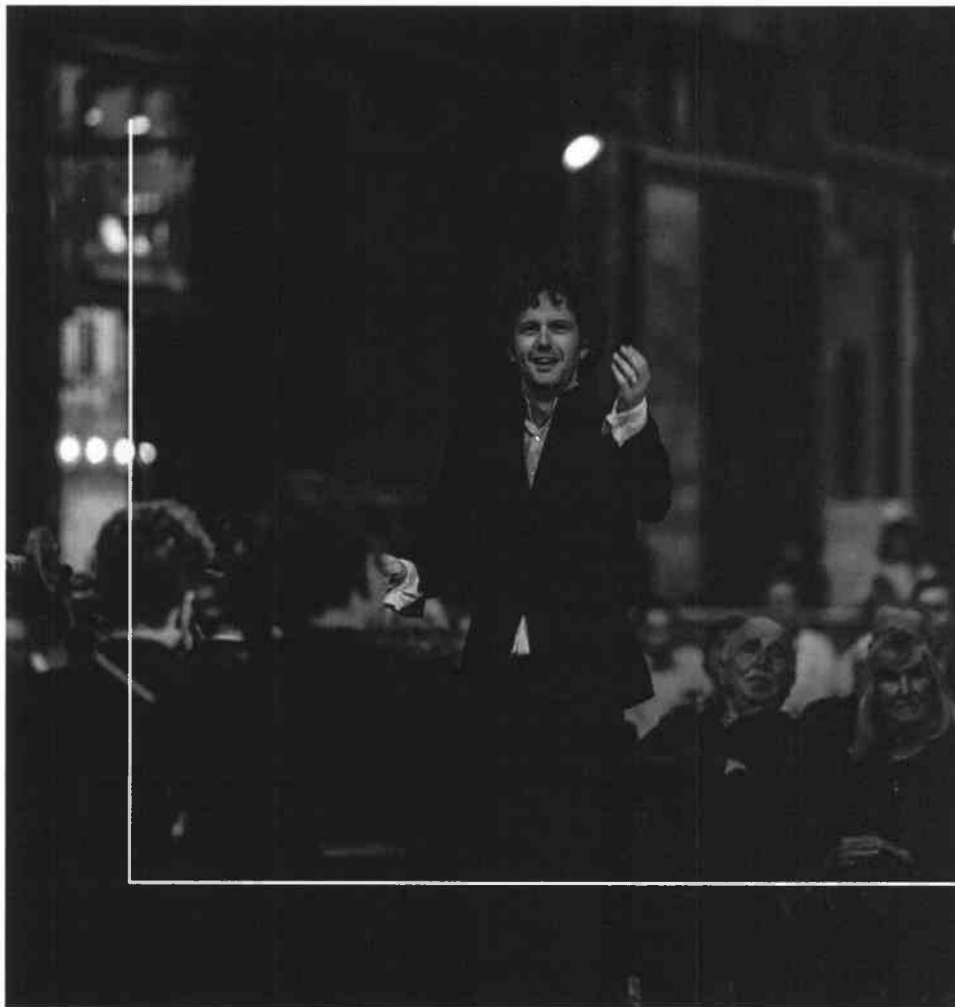
AUDIENCES – A NEW CONVERSATION

The ability to connect digitally with our audience has been the stand-out feature of this year.

The lively dialogue via our Audience Forum, Audience Surveys and the live chat available on streamed events has given us more insight and more immediate responses than we've ever had access to.

Audience forum

Consultant Paul Vittles ran an Audience Forum during April–September 2020, whose participants fell into three age brackets (Under 40, 41-65, 65+). This produced useful insights into behaviour change in these groups, their access to online culture, their attitudes towards returning to venues and their changing habits in the face of the pandemic. This intelligence, alongside the industry-wide Indigo audience survey, informed our partial reopening and autumn programme, as it did our digital programme running on KPlayer from July 2020 onwards.



A NEW REACH

Some events, particularly in the London Podcast Festival, gave us access to audiences internationally, and the map of those engaging with the KPlayer and those who have supported us has expanded exponentially this year.

In March 2020, we surveyed our audience with reference to the digital programme:

DEVELOPING NEW AUDIENCES

9% new subscribers to our newsletters in FY 2020/21 (increasing from 63,598 to 69,141)

ENGAGEMENT

28,207 tickets (incl. comps) during FY 2020/21 (revenue: £370,223)

More than 46,000 views on KPlayer from 50+ countries

SATISFACTION

4.1 star rating – 79% thought the quality of our digital offering was good or excellent.



FUNDRAISING

Fundraising became of critical importance as soon as income from business events ceased in Mar 2020.

As a year's worth of events was cancelled or postponed, we received donated tickets, the proceeds of which was split between the venue and the artists. Kings Place was one of very few venues in the sector to adopt this policy: the clear support for performers inspired generosity from audiences.

#SaveKingsPlace campaigns during July–August 2020 raised a substantial sum and a wealth of messages of support. A further 'Advent Calendar' campaign was launched before Christmas revealing performances from the months before.

Grants included ACE Emergency Funding, Cultural Recovery Funding 1 from DCMS/ACE and a Project Grant from ACE for *London Unwrapped* commissions.

Sponsorship was secured for the London Podcast Festival from Acast.

A longer-term fundraising strategy has been drawn up to include the recruitment of a Development Coordinator, to help administrate the new Friends Scheme (launched June 2021) and regular applications to Trusts & Foundations. A focus on individual giving is at the forefront of the Fundraising strategy going forwards, cultivating those who have engaged with the Friends Scheme and researching higher level giving.



PRICING STRATEGY

The pandemic forced a new pricing policy which focused on online ticketing and hybrid events.

Online events needed to be accessibly priced which meant that they ranged from £9.50 for podcast and spoken word events to £12.50 for live music events. An audience survey carried out in March 2021 suggested that some of our audience would be prepared to pay up to £15 for special music events, but that lower prices were thought appropriate for zoom events not filmed in the hall.

When hybrid events returned to the venue throughout September–October 2021, and ten days in December 2020, they were all ticketed on a flat price general admission since all seating had to be managed by Front of House staff to ensure social distancing and COVID-safety procedures. For this reason, music events tended to be priced between £20.00–£34.50 since the audience numbers were so restricted (30% capacity) and most events could be

watched online at very accessible prices. These prices were in-line with similar venues in our sector at the time.

This general admission, flat pricing policy was continued for the Summer 2021 season, when social distancing required between 30% and 50% capacities, but from Autumn 2021, we are returning to tiered pricing in Hall One and flat pricing in Hall Two with pricing not dissimilar to that used in 2019, a reflection of the economically challenging situation many of our audience find themselves in, though with some higher prices for special events which include receptions.

Saver seats of £9.50 are being phased out, since they were no longer acting as an audience building tool for introducing new 'trial' patrons, but tended to be bought by those regular audience members who got to them first. An allocation of new Under-30s ticket of £8.50 have been added to all shows, and will continue to be in FY 2021/22.



TRADING SUBSIDIARY

CONFERENCES

The pandemic has hugely impacted the income received from conferences.

Due to the COVID-19 restrictions, there were no conferences held in FY 2020/21 (other than 12 small Wired events) and any income received related to cancellation fees. With these restrictions relaxing, bookings are now being made, albeit very tentatively.

MUSIC BASE DESK RENTALS

The Music Base continues to hire out desks for the charity with the majority of desks taken by companies with close relationships to KPMF (e.g. Aurora Orchestra, London Jazz, Voice Foundation) and other music and arts charities and organisations, including Orchestras Live and Hear Me Out. From April to July 2020, we reduced the rental fees by 75% for the majority of our tenants, and from August 2020 onwards hire rates were increased but not up to the full 100%. (From June 2021 onwards, rates were put back to normal levels). Unfortunately, a few tenants have left but a couple of new tenants have been sourced to replace them, including the London Sinfonietta who previously occupied our office space on the ground floor.



PRIVATE HIRES

Due to the smaller number of personnel involved in Private Hire bookings, and the availability during the day, this area has been a relatively good source of income in FY 2020/21 and included bookings for the BBC Proms rehearsals alongside recording sessions with the BBC, Military Wives Choir, Aurora Orchestra, London Sinfonietta and Riot Ensemble.

CANALSIDE OFFICES

In FY 2019/20 it was decided that the offices occupied by Orchestra of the Age of Enlightenment and London Sinfonietta should be let on a commercial basis, to support the charity. At the end of September 2020 both orchestras moved out and the offices were decorated and then marketed. Due to the second lockdown it has not been possible to rent the space out as yet but there is now increasing interest from the agent.

ACHIEVEMENTS & PERFORMANCE

ACHIEVEMENTS

Kings Place won the RPS 2020 Award in the 'Festival & Series' category for *Venus Unwrapped* and was awarded the prize at an online ceremony in October 2020.

We received certification for being a COVID-safe venue from Good to Go and Islington Council.

We had consistently positive press throughout the year for being one of the few venues who ran a programme, pivoted to online streaming, developed our own platform and gave opportunities to more than 1,000 artists during a period of unprecedented crisis.

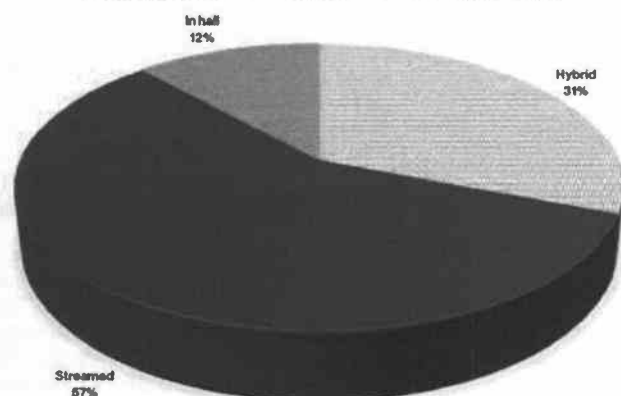


PERFORMANCE

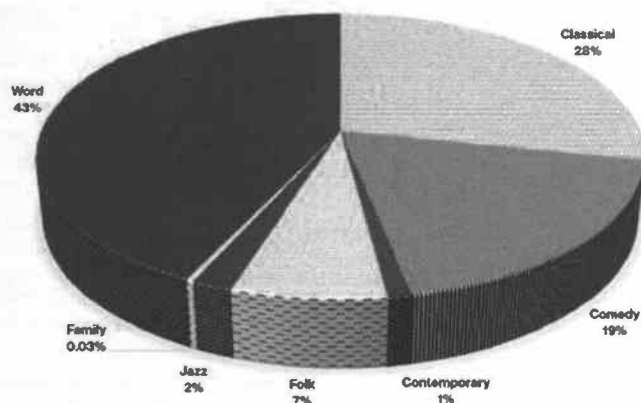
In FY 2020/21, ticket sales fell from 89,462 in the previous year to 28,207 due to the lockdowns and COVID-19 restrictions. This is, however, an impressive figure given the situation in which the venue was placed

in. The following pie charts show the make-up of the ticket revenue received, firstly by how the event could be watched, and secondly by genre.

BREAKDOWN OF TICKET SALES BY MEDIUM



BREAKDOWN OF TICKET SALES BY GENRE



Despite the restrictions, the Artistic Programme for FY 2020/21 still covered all our main genres, with Classical **28%** (2019: 23%), Word **43%** (2019: 19%) Comedy **19%** (2019: 17%) and Folk **7%** (2019: 14%), forming the largest proportion of our offering. Gross ticket sales including private hires for FY 2020/21 events were just **£370k**, a decrease of £1.03m (73.5%) on FY 2019/20.

Kings Place still intends to measure the financial performance of its artistic programme using the following KPIs:

- Contribution
- Tickets sold
- Occupancy
- Audience development (% first-time bookers)

Kings Place measures the reception of its artistic Programme through:

- Audience feedback
- Critical coverage in the media

Throughout FY 2020-21, the Foundation earned **£396.6k** (2019: £1.69m) from ticket sales and other performance-related income and received **£1.64m** in Government and other grants (2019: £0).

Costs of charitable activities for the Foundation include people, artists, marketing, property and finance/professional fees, and amounted to **£2.84m** (2019: £3.81m).

	2021	2020
People	£1,919,202	£1,757,884
Artists	£226,962	£1,058,097
Marketing	£120,208	£310,812
Property	£506,317	£591,226
Finance/Professional	£55,146	£83,964
Governance	£9,000	£7,150
TOTAL	£2,836,835	£3,809,133

People costs look to be higher as this figure does not net off the £1.03m received in furlough grants.

TEAM & CULTURE

Due to the enforced low levels of activity and the drop in income from the events business, a redundancy consultancy process was undertaken in May 2020 during which ten roles were sadly lost. During the entire year Kings Place made use of furlough or flexi-furlough for a number of retained roles and supported 135 members of the casual team who were furloughed or flexi-furloughed from its inception until the end of June 2021. Remaining staff have upskilled into a range of new areas with regards to streaming and broadcasting, and associated areas of audience-engagement.

The team worked remotely using Microsoft Teams as a communication and video conferencing system. This has been an efficient way for the whole team to keep in touch in twice-weekly meetings and many break-outs, though operational staff continued to use the building following COVID-safe protocols. A phased return to the office is planned, though administrative, collaborative and operational duties are being carefully monitored to ensure each staff member is in the optimum location for different kinds of work.



DIVERSITY & INCLUSION

The team underwent a Diversity & Inclusion audit with London Music Masters from November 2020 to January 2021. Together we interrogated our organisational culture, leadership and governance through the lens of diversity, rating ourselves on our progress in this field.

A new D&I policy was drafted which has been presented to the Board of Trustees: action points from the I'm In report are being progressed in different areas of the organisation, from recruitment to programming, visitor services to marketing.

Kings Place succeeded for the second year running in achieving its Keychange goals of gender equality in performers and in the working team.

We will become a signee venue to PRSF's Power Up! Initiative, promoting black and ethnic minority creatives in the arts sector, and plan to form a new partnership with Small Green Shoots to support their work with young people not in education or training who wish to enter the arts industry.

FINANCIAL REVIEW

Total incoming group resources for the year decreased by **43%** (2020: increased by 1%) to £2.9m, a decrease of £2.3m due to the forced closure of the venue and restrictions when allowed to open. Income from trading activities decreased by **92%** (2020: decreased by 4.5%). Charitable donations have decreased by **13%** to £683k (2020: £788k) – a large donation was received from our private donor in March 2020 when the first lockdown began.

Total resources expended decreased by **39%** (2020: increase of 2.5%) to £3.1m, a decrease of £2.0m due to reductions in support costs, including staff redundancies and furloughing. In 2021 this resulted in net outgoing resources of £156k (2020: net incoming resources of £116k).

While the economic future is so unpredictable, the charity will continue to keep overhead costs to a minimum, seek to secure further support from grant makers and look to increase donations from the public.

The deficit incurred by the Foundation is offset by Gift Aid distributions from Kings Place Music Foundation Trading Ltd (KPMFT), by the support of private donors and, this year, by the grant from the Culture Recovery Fund.

FUNDRAISING DISCLOSURE

Kings Place's approach to fundraising in FY 2020/21 has been one of encouraging individual donations either through donated tickets, through appeals, through our website, through rounding up/donating when purchasing tickets. We have promoted opportunities for individual giving through customer communications such as emails and social media. We have not worked with any commercial participators/professional fundraisers and our fundraising conforms to recognised standards. We have received no complaints in relation to our fundraising.

PRINCIPLE FUNDING SOURCES

The principle funding sources received by the Foundation were from private donations, ticket sales, sponsorship, booking and transaction fees, conferencing, desk hire income, event specific grants, furlough grants and the Culture Recovery Fund.

Throughout FY 2020/21 the venue used the Government Coronavirus Job Retention Scheme and were able to receive grants for up to 80% of pay or £2500 a month. Permanent and casual staff were both fully and flexibly furloughed.

In October 2020, KPMF was granted £562k from the Culture Recovery Fund.

RESERVES POLICY AND GOING CONCERN

The trustees will continue to apply the unrestricted fund to the Group's objectives. Unrestricted funds at the year-end totalled £118k. Free reserves are in deficit by £332k, but continued financial support for future periods is guaranteed by a letter of support from a private donor. The Foundation has been impacted by the COVID-19 pandemic with activities being restricted and the related income being reduced. Management have taken steps to reduce costs where possible and have taken advantage of the government job retention scheme as well as benefitting from a Culture Recovery Fund grant. Cash flow forecasts to March 2023 have been prepared and shared with the aforementioned private donor who has confirmed their willingness to provide cash flow support.

The trustees, having assessed the principal risks and uncertainties and having contributed to the strategic vision and aims

of the charity, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of KPMF to continue as a going concern.

On the basis of their assessment, the trustees have a reasonable expectation that the charity will be able to continue in operational existence for the foreseeable future, and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The charity's activities, together with the factors likely to affect its future development and position, are set out within this Financial Review. Due to ongoing pandemic, The Foundation's reserves policy has to remain under review to agree a suitable reserves target to ensure sufficient funds are available to fund unexpected drops in income given the volatility of the conferencing market. The threshold will be reviewed annually, and the charity is committed to continual improvement in its financial position and to eventually building reserves.

PLANS FOR FUTURE PERIODS

The impact of the pandemic will have long-lasting effects on the charity through FY 2021-22 but the successful transition from an online programme to socially-distanced reopening in May 2021 (30%) heralded a move towards recovery. After an audience consultation, it was decided to run concerts at 50% capacity post-July 2021, with a return to 100% capacity in September 2021.

We are building resilience with a focus on the following areas.

Development

Fundraising has become a key area of activity and revenue stream this year due to the lack of income from business events. Trustees have agreed the appointment of a Development Officer who will build on the progress made by the successful audience appeals and the launch of Kings Place Friends in June 2021, and support the Executive & Artistic Director in making applications to trusts & foundations.

Private hires

Putting more staff resource and time into private hires for filming and recording is bringing in much-needed income while there is more access to spaces during the daytime. Until conferencing and business events with numbers of delegates return more regularly, this will be the most cost-effective way to develop revenues.

Canalside offices

During the extended periods of lockdown and restriction it has not been possible to rent these, but they are now being actively marketed and we expect to receive rental revenue within the next financial year.

Music Base desks

We have released more space and rearranged the areas in the Music Base to accommodate new clients, and expect to receive more individual bookings for break-out spaces as small organisations begin to return to office for one-off meetings, board meetings or days of interviewing.

Rebuilding the team

As full capacities return, there will be a phased recruitment plan to reinstate key operational positions in production, technical and IT. These began in July 2021, to be phased through the later summer and autumn period.

Technology and equipment renewal plan

Phase One of the new audio networking programme was completed this year with support from CRF2; the next phase will be worked through next year, including the installation of public wi-fi in Kings Place.





FUTURE ARTISTIC PLANS

Kings Place has built a strong reputation for bringing relevance, innovation and future-facing thinking to our programme. Next year we will focus on the power of communal singing, an activity that became weaponised and censored during the pandemic, to bring people together again in a safe way. In *Voices Unwrapped 2022*, groups from all ethnicities, genders, genres, ages and abilities will be represented through singing, an expression both of identity and togetherness. This inclusive series will run throughout the year, interleaved with our major festivals and partnership events, which will all be enhanced by talent development opportunities and the creation of new work.

DIVERSITY & INCLUSION ACTION PLAN

Following our I'm In organisation-wide audit in December 2020, we are reviewing all areas of work with a view to making our organisation more welcoming to a wider range of audiences and visitors, through specialist visitor services and recruitment training, through a review of our Programming and current partnerships, a renewed focus on community partners and our work with Islington's Cultural team. This is a condition of our public funding and positive step towards building relevance and resilience into the organisation.

PRINCIPAL RISKS & UNCERTAINTIES

The trustees have examined the major strategic, business and operational risks facing the charity and confirm that steps have been taken to lessen these risks wherever possible.

The principal risks and uncertainties facing the charity are outlined below:

- The ongoing effect of the pandemic on the conference market;
- The ongoing effect of the pandemic on audience confidence and ticket sales;
- Travel restrictions on international artists due to the pandemic;
- The financial impact of Brexit with the higher costs involved in bring in international artist;
- Non-compliance with ever-changing legislation;
- A much reduced permanent workforce versus increasing activity;
- Insufficient capital funding for technological investment and innovation.

KPMF operates a rigorous risk management strategy and systems are in place which are designed to manage all major risks.

The trustees review their risk management strategy annually or more often if circumstances require.

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing document

KPMF is a company limited by guarantee governed by its Memorandum and Articles of Association dated 12 January 2005 as amended by special resolutions dated 7 November 2007. It is registered as a charity with the Charity Commission.

Appointment of trustees

Trustees have been appointed by the Board of Trustees.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

PJ Millican (Chair)
AD Millican
J Mitchell
D Jude
S Twitchin (appointed 1 July 2021)

Trustee induction and training

The trustees have been chosen based on the skills they have to offer to ensure the development of the charity's activities. New trustees receive induction into the organisation led by the Executive & Artistic Director, Head of Finance, Deputy Director and Company Secretary. Further training is made available to trustees when required.

Organisation

The Board of Trustees administers the charity and is responsible for the strategic direction and policy of the charity.

Related parties

P J Millican, Chair of the Board of Trustees, is a director and 50% owner of Green & Fortune Limited, with whom the Foundation has a commercial relationship. The Foundation also has trade relationships with the following companies with which P J Millican also has an interest: Pangolin (trustee); Parabola Land (director); The Gallery at Kings Place (shareholder); Parabola Foundation (trustee).

Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the trustees have considered how planned activities will contribute to the aims and objectives they have set.

Kings Place is situated in a growing hub of development which has a thriving cultural and diverse community. The programme offers numerous ways for local communities to access high quality performances and learning opportunities in an affordable way.

Key management personnel

KPMF's remuneration policy for key management personnel is designed to attract, retain and motivate quality employees. Salaries are benchmarked against other organisations in the charities sector, and are in line with market rate. Remuneration for key management personnel consists of basic salary, statutory pension contributions, and the provision of a mobile phone and laptop for business use.

Auditor

So far as the trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware. Additionally the directors have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charity's auditors are aware of that information.

The trustees report, including the strategic report, was approved by the Board of Trustees.

RSM UK Audit LLP has indicated its willingness to continue in office.


P J Millican (Trustee)

Dated: 2/11/21



STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2021

The trustees (who are also the directors of Kings Place Music Foundation for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KINGS PLACE MUSIC FOUNDATION

Opinion

We have audited the financial statements of Kings Place Music Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Continued from the previous page

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Continued from the previous page

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, the parent charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, making enquiries re correspondence with tax authorities and considering any specific relevant advice obtained from external tax advisors.

Continued from the previous page

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and reviewing income transactions around the year end to consider if it recorded in the correct period.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website: frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

L. Robson

Lucy Robson (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP,
Statutory Auditor

Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

Date

05/11/21

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING CONSOLIDATED INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	683,514	-	683,514	788,228
Charitable activities					
Operation of music venue	4	1,435,732	597,000	2,032,732	1,688,446
Other trading activities	5	231,548	-	231,548	2,738,276
Total income		<u>2,350,794</u>	<u>597,000</u>	<u>2,947,794</u>	<u>5,214,950</u>
Expenditure on:					
Trading activities	6	266,459	-	266,459	1,289,663
Charitable activities	7	2,239,835	597,000	2,836,835	3,809,133
Total expenditure		<u>2,506,294</u>	<u>597,000</u>	<u>3,103,294</u>	<u>5,098,796</u>
Net movement in funds		(155,500)	-	(155,500)	116,154
Total funds brought forward		273,221	-	273,221	157,067
Total funds carried forward		<u>117,721</u>	<u>-</u>	<u>117,721</u>	<u>273,221</u>

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

All income and expenditure derive from continuing activities.

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

KINGS PLACE MUSIC FOUNDATION
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

Company Registration No. 05330318

	Notes	£	2021 £	2020 £
Fixed assets				
Intangible assets	12		38,818	53,308
Tangible assets	13		410,415	498,097
			<u>449,233</u>	<u>551,405</u>
Current assets				
Debtors	15	390,146		426,737
Cash at bank and in hand		169,661		185,588
		559,807		612,325
Creditors: amounts falling due within one year	16	(891,319)		(890,509)
Net current liabilities			(331,512)	(278,184)
Total assets less current liabilities			<u>117,721</u>	<u>273,221</u>
Income funds				
Unrestricted funds	19		117,721	273,221
			<u>117,721</u>	<u>273,221</u>

The notes on pages 26 to 41 form part of these financial statements.

The financial statements were approved by the Trustees on 2/11/21


P J Millican (Chair)

Trustee

KINGS PLACE MUSIC FOUNDATION
COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

Company Registration No. 05330318

	Notes	£	2021 £	2020 £
Fixed assets				
Intangible assets	12		38,818	53,308
Tangible assets	13		410,415	498,097
Investments	14		10	10
			<u>449,243</u>	
Current assets				
Debtors	15	372,535		223,824
Cash at bank and in hand		158,996		166,848
		531,531		390,672
Creditors: amounts falling due within one year	16	(746,501)		(1,501,658)
Net current liabilities			(214,970)	(1,110,986)
Total assets less current liabilities			<u>234,273</u>	<u>(559,571)</u>
Income funds				
Unrestricted funds	20		234,273	(559,571)
			<u>234,273</u>	<u>(559,571)</u>

As permitted by Section 408 of the Companies Act 2006, the statement of financial activities of the parent company is not presented as part of these accounts. The parent company's total income resources for the financial year amounted to £3,713,486 (2020: £3,203,375) and the net movement in funds for the financial year amounted to a surplus of £793,844 (2020: £716,638 deficit).

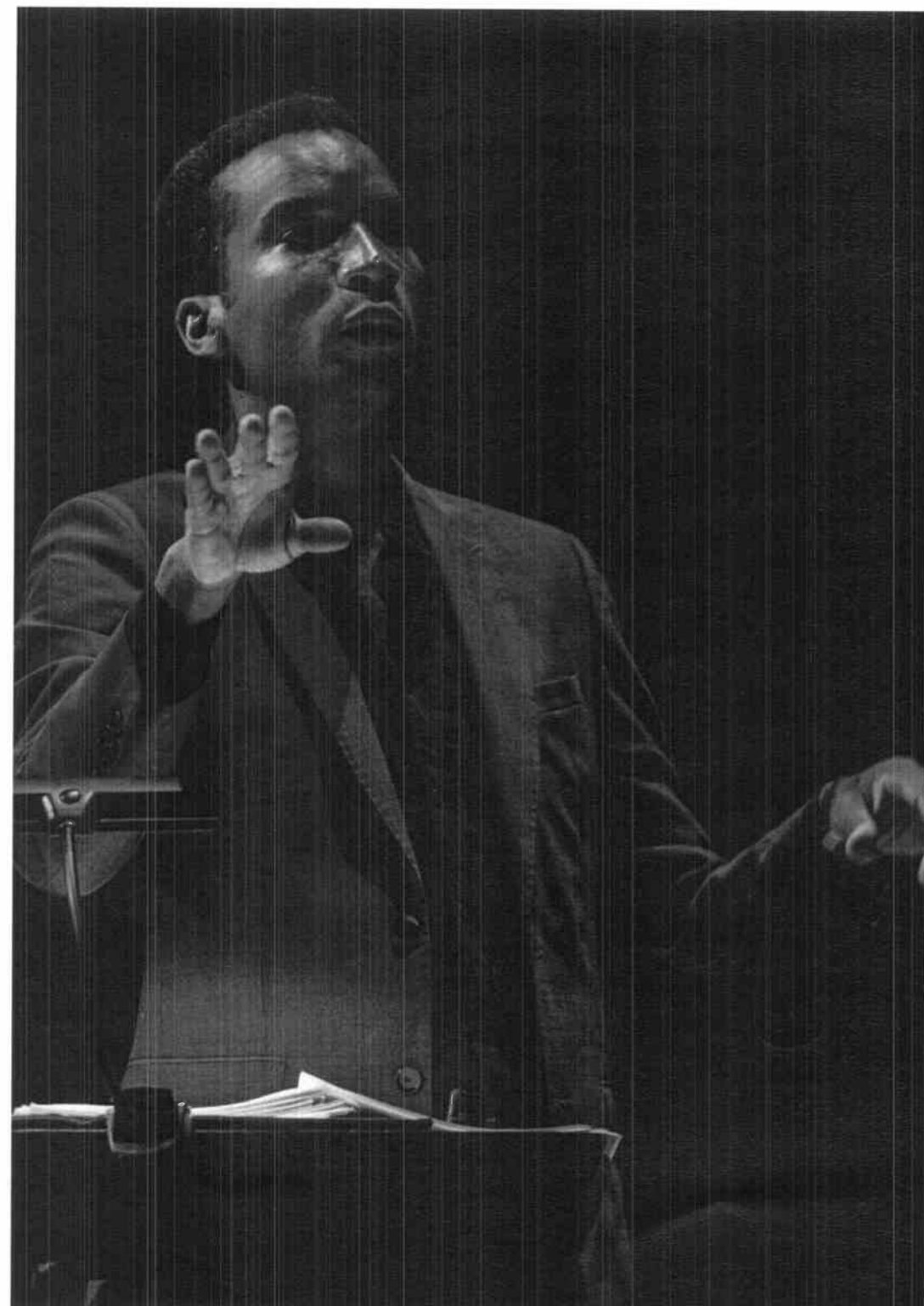
The financial statements were approved by the Trustees on 2/11/21


P J Millican (Chair)

Trustee

**KINGS PLACE MUSIC FOUNDATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by) / generated from operations	24		(13,349)		183,880
Investing activities					
Purchase of intangible assets		-		(24,571)	
Purchase of tangible fixed assets		(2,578)		(188,494)	
Proceeds on disposal of tangible fixed assets		-		355	
Net cash used in investing activities			(2,578)		(212,710)
Net decrease in cash and cash equivalents			(15,927)		(28,830)
Cash and cash equivalents at beginning of year			185,588		214,418
Cash and cash equivalents at end of year			169,661		185,588



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

CHARITY INFORMATION

Kings Place Music Foundation is a private charitable company, limited by guarantee, registered and incorporated in England and Wales. The address of the charity's registered office is c/o Dickson Minto, Broadgate Tower, 20 Primrose Street, London, EC2A 2EW.

Kings Place meets the definition of a public benefit entity under FRS102. The charity exists for the benefit of the public to promote knowledge and appreciation of the arts and in particular the art of music.

ACCOUNTING CONVENTION

These 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 (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

This is the first period in which the company has applied the Triennial Review amendments to FRS 102. There have been no changes to accounting policy in the current or prior year as a result of this.

GOING CONCERN

FRS 102 requires that, if appropriate, the group's financial statements are prepared on the going concern basis, which means

that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. The group derives its income from a range of sources which have been impacted by the COVID-19 pandemic. Cash flow forecasts to March 2023 have been prepared which include a cautious increase in income as the government restrictions are relaxed. Management have taken steps to reduce costs where possible and continue to monitor cash flow closely. The group is dependent on support from its donors who have undertaken to provide such support for the foreseeable future based on the latest forecasts.

As a consequence, notwithstanding the net current liabilities, the trustees believe that the group is well placed to manage its risks successfully and thus have adopted the going concern basis.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Kings Place Music Foundation Trading Limited ("KPMFTL"), on a line by line basis. All financial statements are made up to 31 March 2021, and consistent accounting policies are used.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented because the charity has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

FUND ACCOUNTING

Unrestricted funds

Incoming resources receivable or generated for the objects of the group without further specified purpose are accounted for as unrestricted funds. Unrestricted funds are available to spend on activities that further any of the general objectives of the group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

continued

1. Accounting policies (continued)

INCOME

Incoming resources are recognised in the Statement of Financial Activities when the group has entitlement to the funds, any conditions attached to the item(s) of income have been met; and it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies

Income received by way of donations and gifts to the group is included in full in the Statement of Financial Activities when the above criteria are met.

Donated services and facilities

The group leases the premises from which it operates from Westinvest GmbH at a peppercorn rent. The donated facility was established in 2008 via Parabola Land for a period of 99 years. It is not considered possible to determine the market value of the facility and therefore neither income nor corresponding rental charge have been recognised in the Statement of Financial Activities.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Income from charitable activities

Income derives from a range of sources. Income is recognised when the above criteria are met.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group; this is normally upon notification of the interest paid or payable by the bank.

EXPENDITURE

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

Governance costs comprise external audits and strategic costs.

All costs are inclusive of irrecoverable VAT.

Intangible fixed assets other than goodwill

Individual intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost of the asset can be measured reliably. Intangible assets are initially recognised at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised at their expected useful economic lives on a straight line basis as follows:

Software	20% straight line
Website development	20% straight line

On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised as income or expenditure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

1. Accounting policies (continued)

Tangible fixed assets

Individual tangible fixed assets costing £1,000 or more are capitalised. Tangible fixed assets are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on tangible fixed assets other than freehold land, at rates calculated to write off their cost less estimated residual value over their expected useful lives as follows:

Leasehold property improvements
10% straight line

Office furniture and equipment
10–20% straight line

Computer equipment
20–33% straight line

Performance equipment
14–20% straight line

Subsequent costs, including replacement parts are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts of previous inspections are then derecognised. All other costs of repairs and maintenance are charged to the Statement of Financial Activities as incurred.

Fixed asset investments

In the separate accounts of the charity, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses or reversals of impairment losses are recognised immediately in income or expenditure.

Cash and cash equivalents

Cash at bank and in hand includes cash held at bank and in hand.

Financial instruments

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

Financial instruments are recognised in the groups' Statement of Financial Position then the group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

1. Accounting policies (continued)

Basic financial liabilities

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

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

Creditors and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of all 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.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Retirement benefits

For defined contribution schemes the amount charged to income and expenditure is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

The group classifies the lease of properties and equipment as operating leases. Rental charges are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

Reduced disclosures

In accordance with FRS 102, the charity has taken advantage of the exemptions from the following disclosure requirements;

• Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

continued

3. Donations and legacies

	2021	2020
	£	£
Donations and gifts	683,514	788,228

All income from charitable activities was unrestricted in both 2021 and 2020.

4. Charitable activities

	2021	2020
	£	£
Operation of music venue		
Ticket sales	343,747	1,591,245
Other programme related income	52,890	97,201
Government grant income	1,039,095	-
Cultural recovery fund	562,000	-
Other grant income	35,000	-
	2,032,732	1,688,446
Analysis by fund		
Unrestricted funds	1,435,732	
Restricted funds	597,000	
	2,032,732	

For the year ended 31 March 2020

Unrestricted funds	1,688,446
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Government grant income comprises monies received under the UK coronavirus job retention scheme.

5. Other trading activities

	2021	2020
	£	£
Desk income	85,756	188,355
Event income	75,165	2,392,856
Rcom hire	68,289	148,621
Other income	2,338	8,444
Other trading activities	231,548	2,738,276

All income from trading activities was unrestricted in both 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

continued

6. Trading activities

	2021	2020
	£	£
Commission	(4,534)	579,888
Property	25,918	120,612
People	14,424	358,876
Support cost (see note 8)	230,651	230,287
Other trading activities	266,459	1,289,663

All expenditure was unrestricted in both 2021 and 2020.

7. Charitable activities

	2021	2020
	£	£
People	1,919,202	1,757,884
Artists	226,962	1,058,097
Marketing	120,208	310,812
	2,266,372	3,126,793
Share of support costs (see note 8)	561,463	675,190
Share of governance costs (see note 8)	9,000	7,150
Other trading activities	2,836,835	3,809,133

£597,000 of expenditure was restricted in the year (2020: £0)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

8. Support cost

	Support cost	Governance cost	2021	2020	Basis of allocation
	£	£	£	£	
Property	722,350	-	722,350	819,848	Direct
Finance/Professional	60,310	-	60,310	83,964	Direct
Governance	-	18,454	18,454	8,815	Governance
	<u>782,660</u>	<u>18,454</u>	<u>801,114</u>	<u>912,627</u>	
Analysed between					
Trading	221,197	9,454	230,651	230,287	
Charitable activities	<u>561,463</u>	<u>9,000</u>	<u>570,463</u>	<u>682,340</u>	
	<u>782,660</u>	<u>18,454</u>	<u>801,114</u>	<u>912,627</u>	

Governance costs include audit and accountancy fees of £18,025 (2020: £12,651).

Support costs include property rental and service charges, professional and finance costs and administrative expenses (including governance costs).

Within charitable activities expenditure, £171,210 of support costs were restricted (2020: £0).

9. Net movements in funds

	2021	2020
	£	£
<i>Net movement in funds is stated after charging</i>		
Fees payable to the group's auditor for the audit of the company's financial statements	12,750	11,100
Fees payable to the group's auditor for tax compliance	1,375	1,300
Fees payable to the group's auditor for accountancy	3,900	3,750
Depreciation of owned tangible fixed assets	90,260	109,929
Amortisation of intangible assets	14,490	9,576
Operating lease charges	<u>11,144</u>	<u>14,774</u>

All income from trading activities was unrestricted in both 2021 and 2020.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

10. Employees

Number of employees

The average monthly number employees during the year was:

	2021 FTE	2020 FTE	2021 Number	2020 Number
Permanent staff	27	33	26	33
Casual staff	3	32	22	102
Other trading activities	30	65	48	135

Employment costs

	2021 FTE	2020 FTE
Wages and salaries	1,760,234	1,960,325
Social security costs	115,599	131,335
Other pension costs	24,330	25,100
Redundancy costs	45,111	-
	<u>1,978,737</u>	<u>2,116,760</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£70,000 - £80,000	1	-
£80,000 - £90,000	-	1

Total pension costs paid on behalf of the above employees were £2,626 (2020: £1,316).

11. Trustees

The trustee's received no remuneration during the year (2020: £nil) and no trustee received payment for professional or other services supplied to the charity (2020: £nil).

No expenses were reimbursed to the trustees during the year (2020: £nil).

Key Management Personnel

The key management of the charity comprise of those listed on the administration information page. Total employee benefits of the key management personnel for the year were £303,966 (2020: £341,751).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

continued

12. Intangible fixed assets

Group and charity	Software £	Website development £	Total £
Cost			
At 1 April 2020 and 31 March 2021	24,571	47,889	72,460
Amortisation and impairment			
At 1 April 2020	-	19,152	19,152
Amortisation charged for the year	4,914	9,576	14,490
At 31 March 2021	4,914	28,728	33,642
Carrying amount			
At 31 March 2021	19,657	19,161	38,818
At 31 March 2020	24,571	28,737	53,308

The amortisation charge is recognised in expenditure on charitable activities.

There are no contractual commitments to acquire intangible assets at 31 March 2021 (2020: £nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

continued

13. Tangible fixed assets

Group and charity	Leasehold property improvements £	Office furniture and equipment £	Computer equipment £	Performance equipment £	Total £
Cost					
At 1 April 2020	123,786	145,567	145,169	915,975	1,330,497
Additions	-	-	-	2,578	2,578
Disposals	-	-	(16,518)	(32,474)	(48,992)
At 31 March 2021	123,786	145,567	128,651	886,079	1,284,083
Depreciation & impairment					
At 1 April 2020	37,654	125,369	82,514	586,863	832,400
Depreciation charged in the year	12,179	10,788	11,406	55,887	90,260
Eliminated in respect of disposals	-	-	(16,518)	(32,474)	(48,992)
At 31 March 2021	49,833	136,157	77,402	610,276	873,668
Carrying amount					
At 31 March 2021	73,953	9,410	51,249	275,803	410,415
At 31 March 2020	86,132	20,198	62,655	329,112	498,097

All tangible fixed assets are held for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

14. Investments

The charity owns 100% of the issued ordinary share capital of Kings Place Music Foundation Trading Limited, a company registered in England and Wales (company number 06590008), registered office c/o Dickson Minto, Broadgate Tower, 20 Primrose Street, London, England, EC2A 2EW. The company pays all of

its profits to the charity under the gift aid scheme. KPMFTL operates all commercial trading activities carried out within Kings Place Music Foundation premises. The cost of this investment is £10 (2019: £10). A summary of the company's net assets and financial activities for the year ended 31 March 2021 is provided below:

The aggregate of the assets, liabilities and funds was:

	2021	2020
Current assets	100,372	925,796
Current liabilities	(216,914)	(92,994)
Total net assets	(116,542)	832,802
The financial activities were as follows:		
Turnover	342,428	2,849,156
Cost of sales and administration expenses	(458,980)	(1,496,364)
Result for the year	(116,552)	1,352,792

15. Debtors

Number of employees

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	150,571	231,272	106,200	57,290
Amounts due from group undertakings	-	-	72,096	-
Other debtors	-	4,936	-	4,936
Prepayments and accrued income	239,575	190,529	194,239	161,598
	<u>390,146</u>	<u>426,737</u>	<u>372,535</u>	<u>223,824</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

16. Creditors: amounts falling due within one year

	Notes	Group 2021 £	2020 £	Charity 2021 £	2020 £
Trade creditors		338,507	354,329	241,702	316,710
Amounts due to fellow group undertakings		-	-	-	703,125
Other taxation & social security		59,994	77,988	59,994	79,019
Other creditors		137,138	68,846	137,126	68,833
Accruals		143,368	152,353	116,288	103,599
Deferred income	17	212,312	236,993	191,391	230,372
		<u>891,319</u>	<u>890,509</u>	<u>746,501</u>	<u>1,501,658</u>

17. Deferred income

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Balance at 1 April	236,993	244,194	230,372	232,150
Amounts released to incoming resources	(228,614)	(244,194)	(221,993)	(232,150)
Amounts deferred in the year	203,933	236,993	204,745	230,372
Balance at 31 March	<u>212,312</u>	<u>236,993</u>	<u>191,391</u>	<u>230,372</u>

Deferred income comprises advance ticket sales and deposits paid on room hire. Income is deferred until the group is entitled to the income.

18. Retirement benefit schemes

Defined contribution schemes

The charity operates a funded defined contribution pension scheme for employees, through the People's Pension. The assets of the scheme are held separately from those of the company in an independently administered fund.

The contributions payable by the charity charged to income and expenditure amounted to £28,873 (2020: £34,866). Contributions totalling £16,545 (2020: £5,986) were payable to the fund at the year end and are included in creditors. Expenditure and liabilities are allocated to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

19. Charitable funds

For the year ended 31 March 2021

Group	Balance at 1 April 2020 £	Income £	Movement in funds Expenditure £	Transfers £	Balance at 31 March 2021 £
General funds					
General funds	273,221	2,350,794	(2,506,294)	-	117,721
	273,221	2,350,794	(2,506,294)	-	117,721
Restricted funds					
Culture Recovery Fund	-	562,000	(562,000)	-	-
Arts Council England	-	35,000	(35,000)	-	-
	-	597,000	(597,000)	-	-
Total funds	273,221	2,947,794	(3,103,294)	-	117,721

Company	Balance at 1 April 2020 £	Income £	Movement in funds Expenditure £	Transfers £	Balance at 31 March 2021 £
General funds					
General funds	(559,571)	3,116,486	(2,322,642)	-	234,273
	(559,571)	3,116,486	(2,322,642)	-	234,273
Restricted funds					
Culture Recovery Fund	-	562,000	(562,000)	-	-
Arts Council England	-	35,000	(35,000)	-	-
	-	597,000	(597,000)	-	-
Total funds	(559,571)	3,713,486	(2,916,642)	-	234,273

For the year ended 31 March 2020

Group	Balance at 1 April 2019 £	Income £	Movement in funds Expenditure £	Transfers £	Balance at 31 March 2020 £
General funds					
General funds	157,067	5,214,950	(5,098,796)	-	273,221
	157,067	5,214,950	(5,098,796)	-	273,221
Total funds	157,067	5,214,950	(5,098,796)	-	273,221

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

continued

20. Analysis of group net assets between funds

For the year ended 31 March 2021:

Group	General Funds £	Restricted Funds £	Total £
Intangible fixed assets	38,818	-	38,818
Tangible fixed assets	410,415	-	410,415
Net current liabilities	(331,512)	-	(331,512)
	117,721	-	117,721

Charity	General Funds £	Restricted Funds £	Total £
Intangible fixed assets	38,818	-	38,818
Tangible fixed assets	410,425	-	410,425
Net current liabilities	(214,970)	-	(214,970)
	234,273	-	234,273

For the year ended 31 March 2020:

Group	General Funds £	Restricted Funds £	Total £
Intangible fixed assets	53,308	-	53,308
Tangible fixed assets	498,097	-	498,097
Net current liabilities	(278,184)	-	(278,184)
	273,221	-	273,221

Charity	General Funds £	Restricted Funds £	Total £
Intangible fixed assets	53,308	-	53,308
Tangible fixed assets	498,107	-	498,107
Net current liabilities	(1,110,986)	-	(1,110,986)
	(559,571)	-	(559,571)

21. Operating lease commitments

Group and Charity

The charity as a lessee:

The total future minimum lease payments under non-cancellable operating leases are set out below:

	2021	2020
	£	£
Within one year	11,144	11,411
Between one and five years	29,099	40,243
	<u>40,243</u>	<u>51,654</u>

The operating leases represent leases of equipment. The average lease length is five years.

22. Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Income		Expenditure	
	2021	2020	2021	2020
	£	£	£	£
Green & Fortune Limited	113,823	1,925,853	26,684	41,385
Parabola Edinburgh Limited	30,000	-	-	-
Pangolin	1,224	5,839	-	1,600
Parabola Foundation	545,000	765,000	-	-
Parabola Real Estate Investment Management LLP	2,001	5,406	-	-
	<u>692,048</u>	<u>2,702,098</u>	<u>26,684</u>	<u>42,985</u>

The following amounts were outstanding at the reporting end date:

Amounts owed to related parties

	2021	2020
	£	£
Green & Fortune Limited	123,997	45,424
Pangolin	-	950
	<u>123,997</u>	<u>46,374</u>

The following amounts were outstanding at the reporting end date:

Amounts owed by related parties

	2021	2020
	£	£
Green & Fortune Limited	124,597	185,874
Pangolin	7,411	-
	<u>132,008</u>	<u>185,874</u>

Green & Fortune Limited is a company part owned by P J Millican (a Trustee). Pangolin and Parabola Foundation are companies with P J Millican (a Trustee) as a director. D Jude (a Trustee) is also a director of Parabola Foundation.

23. Legal status of the charity

The charity is a charity limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in

respect of the guarantee is limited to £1 per member of the charity.

24. Cash generated from operations

	2021	2020
	£	£
(Deficit)/surplus for the year	(155,500)	116,154
Adjustments for:		
Amortisation and impairment of intangible assets	14,490	9,576
Depreciation and impairment of tangible fixed assets	90,260	109,929
Movements in working capital:		
(Increase) in debtors	(36,591)	(5,344)
Increase/(decrease) in creditors	3,758	(39,234)
(Decrease) in deferred income	(2,948)	(7,201)
Cash (absorbed by)/generated from operations	<u>(13,349)</u>	<u>183,880</u>

25. Analysis of changes in net debt

	1 April 2020	Cash flows	31 March 2021
	£	£	£
Cash at bank and in hand	185,588	(15,927)	169,661
	<u>185,588</u>	<u>(15,927)</u>	<u>169,661</u>

26. Taxation

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the

Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.





