

THE ORGANISATION FOR NEW MUSIC AND SOUND

England & Wales · Charity number 1124609

Details

Other names	SOUND AND MUSIC
Status	Registered
Legal form	Charitable company
Company number	06581022
Registered	2008-06-20
Register	View on the Charity Commission register

Contact

Address	3 M Buckley Innovation Centre Firth Street Huddersfield HD1 3BD
Phone	000000000000
Email	info@soundandmusic.org
Website	www.soundandmusic.org

Activities

Objects: TO PROMOTE AND FOSTER THE UNDERSTANDING AND APPRECIATION OF SONIC ART AND MUSIC INCLUDING (BUT NOT LIMITED TO) NEW BRITISH MUSIC.

Activities: The purpose of Sound and Music is to promote and foster the understanding and appreciation of sonic art and music, including new British music. We support the development and performance of the art form by sharing, creating and distributing events, information and archives. We organise and assist in the provision of learning opportunities, conferences, exhibitions, lectures and other activities.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, WORLDWIDE.
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£922,079	£860,449	£2,117,178	12
2024-03-31	£989,876	£1,046,333	£2,034,581	17
2023-03-31	£1,044,985	£1,192,404	£1,960,893	19
2022-03-31	£1,215,354	£1,014,999	£2,177,511	19
2021-03-31	£900,677	£871,571	£1,896,954	16

Trustees

Name	Role	Appointed
Ramani Elizabeth Langley	Chair	2024-09-11
Alastair Duncan Cotterill		2021-12-20
Atem Mbeboh		2021-12-20
Catherine Bunting		2019-06-12
Cevanne Horrocks-Hopayian		2025-03-26
David Lasserson		2019-09-11
Dennis Lee		2017-12-12
Imogen Rachael Lawlor		2020-12-14
Sacha Natalie Denton		2025-03-26
Sam Palmer		2020-03-11
Victor Wei Te Li		2026-02-18
Zorbey Ege Canturk		2026-06-03

Linked charities

- THE A A PAUL MEMORIAL FUND (1124609-1)

THE ORGANISATION FOR NEW MUSIC AND SOUND

England & Wales - Charity number 1124609

Accounts

Company number: 06581022

Charity Number: 1124609

The Organisation for New Music and Sound

(trading as Sound and Music)

Report and financial statements

For the year ended 31 March 2025

The Organisation for New Music and Sound

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For the year ended 31 March 2025

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Reference and administrative information

For the year ended 31 March 2025

Company number 06581022 – incorporated in the United Kingdom

Charity number 1124609 – registered in England and Wales

Other name by which the charity makes itself known Sound and Music

Registered office and operational address Oxford House
Derbyshire Street
London
E2 6HG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Gregory Davies (Chair) (retired September 24)
Ramani Langley (Chair) (appointed September 24)
Catherine Bunting
Belinda Dee
David Lasserson
Imogen Lawlor
Dennis Lee
Sam Palmer
Joanne Thomas (retired June 24)
Alastair Cotterill
Atem Mbeboh
Sacha Denton (appointed March 25)
Cevanne Horrocks–Hopayian (appointed March 25)
George Hyde (appointed March 25)

Key management personnel

Will Dutta – Chief Executive
Nuria Rivero – Finance Manager
Sonia Stevenson – Head of Music Patron (until December 24)
Laonikos Psimikakis Chalkokondylis – Head of Programmes (from June 24)
Finn Grant – Head of External Engagement (from June 24)

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Reference and administrative information

For the year ended 31 March 2025

Investment Managers	Seven Investment Management Limited 125 Old Broad Street London EC2N 1AR
	Cazenove Investment Management Limited 1 London Wall Place London EC2Y 5AU
Bankers	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Solicitors	Bircham Dyson Bell 50 Broadway London SW1H 0BL
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane London EC1Y 0TG

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Trustees' annual report

For the year ended 31 March 2025

The Trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The charity's purposes as set out in the objects contained in the Memorandum and Articles of Association are to:

"Promote and foster the understanding and appreciation of sonic art and music including (but not limited to) new British music."

Its mission is to be the base camp for anyone in the UK who wants to make, experience or support new music and sound to shape the modern world.

The charity delivers artist-centred development programmes and essential funding to young, emerging and established artists breaking new ground across music-making in the UK. It leads research, campaigns, networks, archives and collections to further originality, discovery and equity within music.

For over 16 years, Sound and Music has worked with thousands of music creators and hundreds of organisations to boost musical creativity, careers, cultures and communities.

The Trustees review the aims, objectives and activities of the charity each year, monitoring progress on a quarterly basis. This report looks at what the charity has achieved and the impact of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives, and activities remained focused on its stated purposes.

Public benefit

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

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Benefits to the public of Sound and Music's activities include:

- Artist development and education
 - Working to increase the diversity of composers who are benefiting from talent development opportunities and whose work is heard by the public, both through Sound and Music's own programmes, and through campaigning, including work around the Fair Access Principles;
 - Working in partnership with other organisations to develop composers' talent and professional skills, and to enable new work to be presented publicly;
 - Supporting composers to develop new skills, networks and the capabilities necessary to sustain their career;
 - Education work nationally both in and out of schools (including Sound and Music's 12-month In the Making programme for composers aged 14–18, the only activity of its kind in the UK);
- Access and engagement
 - Proactively working to improve the public's access to, and discovery of, a wide range of new music and composers;
 - Online access to a vast range of resources, from national collections of music scores and recordings to blogs, opportunities for composers, toolkits, research and evaluation;
 - Disseminating curated creative content and public events about new music, in the form of e-newsletters, social media content and digital platform activity;
 - Access to the British Music Collection, 30,000 20th and 21st century music scores located in Heritage Quay, the state-of-the-art archive centre at the University of Huddersfield, and also catalogued online alongside a wealth of content including AV footage, recordings, curated content, photographs and interviews.

Sound and Music is a national and international organisation that seeks to reach all those with an interest in new music in the UK, as well as to diversify the people engaging with it.

Achievements and performance

1. Sound and Music delivered transformative artist development programmes and commissions:

The charity launched its new In Motion programme:

- 10 composers and music creators were selected for In Motion, a new flagship 18-month programme, and completed their Discovery Phase
- Seven group, 42 professional coaching and mentoring, and 120 1–1 sessions were by provided by the Programmes team
- 11% of total applicants (39/363) received some level of support through In Motion, the Seed Award funding and support package for shortlisted applicants or longlist artist grant

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- The six-month 'End of Discovery Phase' evaluation confirmed:
 - 100% of the cohort strongly agreed that they would recommend In Motion
 - 100% said that In Motion had already exceeded or met their expectations (80% confirming it had exceeded)
 - 89% agreed or strongly agreed that In Motion had already increased their confidence
 - 89% agreed or strongly agreed that In Motion was developing their creativity
 - 78% agreed or strongly agreed that In Motion is already developing their career

The charity launched alumni-exclusive opportunities:

- It increased the support, dialogue and championing of its 300+ alumni community through its first alumni impact survey, alumni spotlights, a new 1-1 support offer and first alumni-exclusive commission, SoundEscapes, in partnership with the Sainsbury Centre
 - Eight composers and music creators (including two young people) and two established, award-winning artists, Matthew Herbert and Ed Macfarlane from Friendly Fires, created 60-second musical responses to individual pieces of art in the Sainsbury Centre's Collection
 - One launch event at the Sainsbury Centre with c.100 invited guests
 - The 10 pieces led to 100% increase in visitor engagement 'transforming the viewing experience' for the 10,000+ monthly visitors to the Sainsbury Centre
2. Sound and Music supported talented young music creators from across the UK to develop their creativity, confidence and career ambitions

The charity launched In the Making, the UK's first and only 12-month young artist development programme built on the 16-year legacy of delivering summer schools:

- 44 young people aged 14-18 were selected for In the Making 2024, the new flagship youth programme
- 44 new works created and performed at the end of residential showcase
- 40 sessions delivered, including Ensemble in Residence workshops, artist talks, key tutor workshops, education and industry and creative leadership pathways
- 88 free Cubase and Dorico Pro software licences worth £42,328 distributed through the partnership with Steinberg Media Technologies
- Three alumni contracted as Pastoral Support Staff further supporting their careers ambitions
- 12 Young Alumni from previous summer schools participated in the Young Voices group collectively co-creating one toolkit and manifesto for young composers, as well as advising on the design of In the Making

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For the year ended 31 March 2025

3. Sound and Music funded essential composing costs and supported new scenes:

The charity stepped up its long-standing role as a funder and grant-giver to emerging and established artists looking to make breakthroughs in their practice:

- Committed a total of £102,104.91 to 52 artists across In Motion, Seed Awards, SoundEscapes and the new Essentials Fund
- Gave out £8,958.91 to 24 artists across two rounds of the Essentials Fund
- 4.8% of total applicants (24/499) to the Essentials Fund received funding – highlighting the need for small scale funding to enable artists to invest in their practice, learning and performance
- Two alumni artists were successfully supported to leverage additional funding

4. Sound and Music generated new research and insight to spotlight and progress key issues across new music

The charity amplified the voice, value and needs of emerging and original artists, curators and scene-makers across the music industry:

- Published original research spotlighting the importance of DIY grassroots music, placemaking and scene creation and the curators driving them
- 17 cross-industry peers and colleagues convened – spanning artists, labels, publishers, funders, partners, festivals, venues and platforms – for an action-orientated roundtable event at Cafe OTO
- Primetime keynote presentation at REMIX Summits at the Royal Academy of Arts in January sharing findings and advocating for the needs of grassroots music as the powerhouse of UK culture
- Mention in House of Commons for advocacy on the importance and value of funding grassroots music

5. Sound and Music led best practice, networks and advocacy for a more inclusive industry

The charity celebrated five years of its sector-leading Fair Access Principles:

- Four new signatories bringing the total Fair Access network up to 35
- 89% of the Fair Access network participated in the fourth Fair Access Assembly held in-person for the first time at the Library of Birmingham in partnership with Tŷ Cerdd, Music Centre Wales, connecting, reflecting and co-designing the next chapter of Fair Access
- The charity modelled its Fair Access Principles in its programmes and funds with progress across a range of metrics as well as areas for continued focus and improvement
- 1,459 composers and music creators applied to be on its programmes, far surpassing the target of 555 which was based on previous years' numbers and indicating a significant increase in the profile and engagement with the organisation

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- All of the organisation's diversity targets are set against Census and ONS data benchmarks. Of the 135 exceptional artists who were selected for the programmes and commissions, 50% were women (target 50%), 29% global majority (target 14%), 19% D/deaf, disabled or neurodiverse (19%) and 16% were from lower socio-economic backgrounds (target 39%). 71% were from outside of London (target 60%)
- Partnered with organisations across the UK to broaden reach, representation and relevance:
 - moving the summer residential from Hertfordshire to Kirklees increasing young participants from the north of England by 11%
 - partnered with the Sainsbury Centre for SoundEscapes with 10 commissions now on permanent display at the art museum in Norwich
 - partnered with BRIT Kids in Croydon, Kings Cross and Canterbury to create new collections for Minute of Listening
 - worked with THAMES, the local music hub in Tower Hamlets, to provide work experience placements to local music students
 - partnered with Tŷ Cerdd, Music Centre Wales, on the Fair Access Assembly

6. Sound and Music increased its promotion of new music, artists, events and opportunities

The charity increased the reach and representation of engagement of its nation-wide creative community:

- 19% increase in subscribers to the new music newsletter up to 6,393
- 8% increase in Instagram followers up to 6,618
- 28% increase in website visitors to 74,253
- 134 new opportunities posted on the Opportunities Hub were viewed 43,139 times
- launched new events listing functionality and the 184 music events promoted by artists in the community were viewed 4,320 times
- 41 hours of new music were broadcast on the relaunched and rebranded weekly radio show, The Sampler Mixtape, on Resonance FM
- 56% of The Sampler Mixtapes were curated by guest hosts including artists, alumni and organisations from across the community reaching over 2500+ weekly listeners
- Eight alumni were celebrated in the new monthly Alumni Spotlights Series launched in August

7. Sound and Music continued to curate and develop unique archives and collections to stimulate listening and learning

- 23,310 pieces of music listened to on the Minute of Listening platform – an 8% increase on the previous year
- 14,071 unique visitors – a 15% increase on the previous year
- 88,536 unique pageviews – 30% increase on the previous year

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- 631 new Minute of Listening subscribers
- One renewed partnership with BRIT Kids and a collection of 60 minutes of new music created by their students exploring the experience of growing up and navigating the modern world
- 35 new composer profiles on the British Music Collection platform
- 147,509 unique visitors to British Music Collection

8. Sound and Music grew its community of supporters, funders and partners to maximise income and collective impact

- 18 trusts and foundations supported the charity's work
 - Thanks to PRS Foundation, Jerwood Foundation, Michael Guest Foundation, Garrick Charitable Trust and Creative Scotland for supporting In Motion 2024
 - Thanks to Britford Bridge, Sampimon Trust, D'Oyly Carte Charitable Trust, Three Monkeys Trust, Wise Foundation, Finzi Trust, Bliss Trust, John Thaw Foundation, Boris Karloff Foundation and Thomas Sivewright Catto Charitable Settlement for supporting In the Making 2024
- Three more funders pledged to support 2025 programmes:
 - Thank you to Marchus Trust for supporting In Motion 2025 and Hyde Trust and Patricia Routledge Foundation for supporting In the Making 2025
- Diversified income and impact through new partnerships:
 - £35,000 contributed in-year from Steinberg Media Technologies, British Council and Sainsbury Centre, as well as £42,328 in free software given by Steinberg Media Technologies (this is not recognised within the financial statements)
 - £36,000 committed over the next three years by existing partner Faber Music and Manners McDade to support four bursaries a year for In the Making
 - £17,000 in-kind support committed by a new strategic partnership with Cedar Court Hotel in Huddersfield to provide significantly discounted accommodation for In the Making residential
- A further £8,378 in individual donations were received over the year
- The charity played an active role in key networks and conversations across the music ecosystem including:
 - National Youth Music Organisation Network
 - PRS Foundation's Talent Development Network
 - Arts Funders Circle
 - Ivors Academy Network
 - Music and Race Conference
 - Jazz Talent Development Forum

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9. Internal Transformation

The charity built a diverse, agile and high-performing team to deliver on its ambition and respond to the constantly evolving external context:

- New Senior Management Team established with Head of External Engagement and Head of Programmes roles leading new functions
- Two new employees joined the organisation which saw 256 applications for three roles
- New chair and three new trustees recruited to bring the Board of Trustees to full capacity and diversify and broaden their skills
- 50% of new staff and trustee recruits from global majority backgrounds, increasing the diversity of our operational and governance teams
- 42 creative careers supported through the contracting of artists on the wider Creative Freelance Team as Mentors and Coaches, Panel Assessors, Key Tutors, Pastoral Care Team and Ensemble in Residence
- Seven of the Creative Freelance Team are Sound and Music alumni

The charity established a robust operational, governance and learning framework to maximise its impact, oversight and efficiency:

- A 100-Day Accelerating Transition plan complete, evolving into a new three-year Accelerating Transformation Plan
- A new five-year strategic plan published creating the trail to 20 years of supporting new music and sound in 2028
- A single operational plan, data and monitoring framework and quarterly review process embedded
- A single organisational CRM database established
- Four knowledge sharing sessions held on impact measurement, sync, Artificial Intelligence and user-centred platform development
- Thinking Partnerships and Leadership Archetypes Training embedded
- Wellbeing and Culture and Inclusivity and Relevance Plans and working groups established to drive priority agendas
- Efficiency plan in place with shift to Cloud-based accountancy, ethical banking and hybrid working
- A new set of values co-created collaboratively by the team through a series of workshops

Financial review: Overview

Sound and Music's total income for the year was £922,078 (2023–24: £989,876), of which £500,000 (2023–24: £500,000) was represented by the grant from Arts Council England, including £435,599 core grant and £64,401 National Youth Music Organisation restricted grant, and £161,297 (2023–24: £223,562) by Transform stage two. Income from projects and fundraising was £239,548 (2023–24: £239,799). Income from other core grants and donations was £13,615

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(2023–24: £21,030), and investment income and other activities totalled £7,619 (2023–24: £5,485).

The organisation expended £860,449 (2023–24: £1,046,333). The decrease in expenditure with respect to the previous year resulted from the restructuring of our programmes and lower staff costs.

The value of the Arthur A Paul Memorial Fund at 31 March 2025 was £1,177,342 (31 March 2024: £1,189,058). Withdrawals from the Fund of £23,100 were made during the year (2023–24: £41,800). The value of Sound and Music's investments with 7IM at 31 March 2025 was £594,270 (31 March 2024: £584,688).

General funds

Following transfers between funds and movements in investments, the net increase in unrestricted general funds was £77,950.

Designation of funds

It is in the nature of the charity's activities that projects are budgeted in one particular year, but may only complete in the following year, with expenditure partly falling into the following year. The Board agrees in these cases to designate funds in order to secure the project delivery.

At 31 March 2024, the Project Completion Reserve held £178,238 in respect of projects which were originally budgeted for 2023–24 but in respect of which the expenditure was completed in 2024–2025. The amount held at 31 March 2025 (£186,000) are funds designated for the completion of a number of projects that were committed to and started in the 2024–25 financial year but with delivery also taking place in 2025–26.

Balance on general funds

Retained general funds carried forward at 31 March 2025 amount to £604,085 compared with £526,135 at 31 March 2024.

Restricted funds

At 31 March 2025 there were restricted funds relating to projects of £149,750 (2024: £141,150).

Arthur A Paul Memorial Fund – Linked Charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the Trustees of Sound and Music. Trustees of the AA Paul Memorial Fund are the same as Trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. According to the conditions of the Trust Deed

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For the year ended 31 March 2025

governing the transferral of the Fund to Sound and Music, Trustees must seek in the long term to preserve the value of the capital of the Fund having regard to inflation.

The Fund's long term objective is to support, in perpetuity, the charitable activities of Sound and Music. It is invested therefore according to an agreed and annually reviewed Investment Policy Statement which seeks to protect the capital value of the fund whilst generating a sustainable level of financial return.

In accordance with the Investment Policy and the agreed formula within it for quarterly calculation of funds to be transferred, The Arthur A Paul Trustees agreed to transfer £23,100 over the year to the charitable activities of Sound and Music to support activities promoting the presentation of original work by emerging composers, musicians and artists, in accordance with the terms of the Trust Deed.

Investment Policy Statement

AA Paul Trustees have an approved Investment Policy Statement. This brings together all of the considerations that are relevant to the management of the AA Paul Memorial Fund portfolio in one place. Any investment managers appointed to manage the assets of the Fund must follow the requirements of the Investment Policy Statement.

The Investment Policy Statement is reviewed annually by the AA Paul Trustees to ensure that it continues to describe accurately the objectives, constraints and other requirements of the Fund.

The Trustees of the Arthur A Paul Memorial Fund are bound to promote the best long-term interests of the Charity and to make adequate provision for both the present and future funding needs of the Charity. The Fund's long-term objective is to support, in perpetuity, the charitable activities of Sound and Music. To do this, the Investment Policy Statement includes an agreed approach to balancing the need to achieve a financial return sufficient to achieve the Charity's funding objectives, whilst endeavouring to maintain the purchasing power of the Fund's assets and the returns arising after taking into account the effects of inflation.

The Fund's assets are invested in accordance with the requirements of the Trustee Act 2000, Sound and Music's Articles of Association, and Charity Commission requirements. Trustee investment policy decisions are therefore to be made:

- within the scope of the powers of investment available to the Trustees;
- in accordance with the duties in section 4 of the Trustee Act 2000 including consideration of the suitability of investments and of diversification;
- through the adoption of investment strategies agreed by the Trustees and contained within the Investment Policy Statement.

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In addition, the Trustees require any investment manager to whom they delegate discretionary powers to exercise their delegated powers only within the guidelines contained in the Investment Policy Statement.

Principal risks and uncertainties

The Board reviews and assesses the risks – strategic, operational and compliance – to which the organisation is exposed at every Board meeting, with the finance sub-committee conducting a prior scrutiny. It holds this information as a Risk Assessment and agrees actions to limit and mitigate risks identified.

The Trustees ensure that the management of risk is ongoing and embedded in management and operational procedures. Risk assessment and management is undertaken under the following areas:

- Governance;
- Operational;
- External factors;
- Compliance with laws and regulations;
- Human resources;
- Environmental;
- Technology, and
- Financial.

The major risks to which the charity is exposed, as identified by the Trustees, are reviewed at least quarterly and systems have been established to mitigate those risks as far as possible. Principal risks in 2024–25 were around income generation and diversification (particularly in the light of the NPO funding decision); financial impact of external factors and successfully embedding a new Senior Management Team.

Risks around income generation are mitigated as far as possible through a development strategy that includes clear and timed income targets; an ongoing programme of research into new income potential; engaging the wider team and the Board in supporting income generation; exploring new income sources including around earned income; balancing (and monitoring closely) expenditure commitments against funding secured or likely; ensuring that the programme is scalable wherever possible; developing strong and distinctive cases for support.

Risks around embedding a new Senior Management Team were mitigated through a 100-day Accelerating Transition Plan and mix of SMT and Trustee communication, which was implemented throughout 2024–25.

Reserves policy

Sound and Music's reserves policy is that the organisation shall seek to maintain free reserves equal to six months operating expenditure. As at 31 March 2025, therefore, the target amount of free reserves is £257,426 which would enable Sound and Music to meet its operating costs and contractual commitments for six months in the event of having to wind up the charity. The current level of free reserves held (at 31 March 2025) after deducting tangible fixed assets is £598,183 which is above the target level. The Trustees consider holding this level of free reserves to be appropriate, given longer term uncertainty in respect of funding from the Arts Council.

Going concern

Sound and Music has Arts Council National Portfolio Organisation funding committed until March 2026. Extension for 2026/27 has been confirmed, awaiting information about the level of funding. At time of signing (September 2025) the combination of confirmed NPO funding until March 2026, and reserves at above target level, means that Trustees foresee no material uncertainties about the charity's ability to continue as a going concern for the twelve months from the signing of these accounts.

The Board will continue to review and sign off updated income and expenditure forecasts at least quarterly, with significant decisions being brought to them between meetings as necessary.

Plans for the future

As Sound and Music enters year three of The Trail, its five-year strategy, it is almost 24 months since the new Chief Executive started in the role and the charity has gone through several significant change events to support the transformation, both at Board and team levels since then.

In year three, the charity will use this sure footing to take calculated risks to invest in our future growth, having now stabilised finances and seen a lowering of the risk score by Arts Council England to low. The charity has identified a range of new opportunities and areas of work to explore that speak to the core aims two and three, Applied Creativity and Everyday Creativity. It will be open and responsive to these by moving quickly to identify and broker new partnerships; and it will build the right networks and bring in new skills to maximise the intellectual property that it currently owns and will continue to create within the organisation.

Over the next year, the charity will train the team to work fluently with design and systems change methodologies and an agile project management framework to progress these new projects and more, including the development of its virtual base camp (which brings together the Primary Platform, Minute of Listening and British Music Collection). This training will form part of a multiyear Accelerating Transformation Programme that includes knowledge sharing and exchange sessions and multiple touch points with the Board.

Structure, Governance and Management

Sound and Music is a registered charity and a company limited by guarantee. Sound and Music was incorporated on 30 April 2008 and registered as a charity on 20 June 2008. Sound and Music was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Sound and Music has one standing sub-committee: a Finance Sub-Committee.

The Board met formally four times in the period. Formal meetings of the Sound and Music Board are normally attended by the Chief Executive, Executive and Programmes Coordinator and other members of the senior management team as required.

Appointment of trustees

The Articles of Association lay out the methods by which Trustees are elected and re-elected, the length of terms, and the maximum length of service. Sound and Music shall have at least 3 but no more than 12 Trustees. At each annual general meeting one quarter of the Trustees, being those longest in office, shall retire from office and offer themselves for re-election.

Sound and Music recruits new Trustees against a Trustee Brief which includes details of any specialist skills or expertise being sought, and, wherever practical, recruits via open advertisement through a number of channels.

Trustee induction and training

New Trustees receive a Welcome Pack which includes:

- A Trustee Handbook
- Past Board papers
- Previous audited accounts and Annual Report
- Business plan
- Details of other Trustees
- Current business plan

In addition, they have at least one meeting with the Chair. Potential Trustees are invited to observe a meeting before election at the subsequent meeting. New Trustees are also assigned another Board member (apart from the Chair) as a 'board buddy' to assist with any questions the new trustee may have. Training is available to all Board members.

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Related parties and relationships with other organisations

Sound and Music keeps a Conflict of Interest register which is reviewed quarterly by Trustees as a standing agenda item at Board meetings. If a conflict of interest arises, then the conflicted individual takes no part in the discussion and at the judgement of the Chair (or Vice Chair, if it concerns the Chair) may be asked to leave the room.

Details of payments to trustees are shown in note 7 of the accounts.

As noted above, Trustees of Sound and Music automatically are elected as Trustees of the linked charity, the Arthur A Paul Memorial Fund.

Finance Sub-Committee

The Finance Sub-Committee's remit is to focus in detail on the financial planning and management of Sound and Music, the investment of its assets, the audit process and the identification and control of risk. It meets four to five times a year and reports at each subsequent Board meeting to the full Board on its business. During the year in question, the Finance Sub-Committee was chaired by Sam Palmer. Other members were Greg Davies, Ramani Langley, Belinda Dee, Imogen Lawlor and Atem Mbeboh.

The Finance Sub-Committee's financial purpose is to: support the effective financial management of Sound and Music; advise and shape Sound and Music's approach to financial planning and monitoring; ensure high standards are achieved in this area of Sound and Music's work; seek to maximise Sound and Music's income and control expenditure and maximise the use of Sound and Music's financial assets; ensure a stable and realistic approach to managing Sound and Music's finances to allow the organisation to undertake its charitable objects in the short, medium and long term.

The Finance Sub-Committee's audit purpose is: to make recommendations to the Board about the appointment of auditors, their contract and remuneration, to review material to be submitted to the auditor and to work in detail with the Chief Executive, Finance Manager and auditors through the process, updating the Board as it proceeds.

The Finance Sub-Committee's risk purpose is to: make regular reviews of the risks to which the organisation is susceptible, report on this to the full Board and to monitor actions in place to control these risks.

Fundraising practice

As a charity, fundraising is an important aspect of Sound and Music and the organisation raises funds through applications to trusts and foundations; through individual donations; through grants from public bodies (including the Arts Council annual National Portfolio Organisation grant) and through earned income.

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Trustees' annual report

For the year ended 31 March 2025

Sound and Music does not use external professional fundraisers, commercial participators or other third parties in fundraising. The organisation is fully compliant with all relevant and applicable codes and has received no complaints in the current or prior year. Individual giving campaigns are designed to protect vulnerable people through a number of measures including full compliance with GDPR legislation (in other words, consent has been given for the charity to be in contact); not employing telemarketers or other third parties to engage in telephone fundraising; and ensuring that any individual giving campaigns are supplied with sufficient information, and are designed to ensure a clear choice and decision on the part of the donor without time pressure being applied.

Remuneration policy

Sound and Music seeks to offer fair pay to attract and keep appropriately qualified staff to lead, manage, support and deliver the charity's aims.

All roles are recruited within a salary range which is agreed by Trustees. This range is set through consideration of the following factors:

- Comparison with similar roles in the cultural and charity sectors, and other sectors if relevant to filling the role with appropriate qualified staff
- Sound and Music's business plan and the requirements of its implementation
- Sound and Music's ability to pay, including:
 - The value created by these roles, both financial and against agreed KPIs
 - The cost to Sound and Music of increasing remuneration levels
 - The organisation's performance against income generation targets.

Sound and Music also invests in its staff through training and personal development. All members of staff are required to undertake a personal and professional development plan annually.

Sound and Music obtained accreditation as a Living Wage Employer from the Living Wage Foundation in May 2025. Sound and Music will pay their staff at least the UK Living Wage (to employees working outside of London) £12.60 an hour = £24,570 FTE, or the London Living Wage (to employees working in London) £13.85 an hour = £27,007.50 FTE. Sound and Music will implement changes to those rates within six months of the Living Wage Foundation announcing updated rates.

Salaries will be reviewed annually in line with budget setting and signed off as part of the budget approval process. Pay increases are awarded against the factors outlined above, together with the following:

- Consumer Price Index H (the CPIH index, which takes into account housing costs and is reported by the Office of National Statistics) and other factors related to the cost of living and/or working in London

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2025

While the salary review process will be carried out every year, there is no obligation to award an increase, and increases may not be given if business and commercial conditions do not allow. Generally, Sound and Music takes a 'whole staff' approach to salary reviews rather than basing it on assessment of individual performance. We expect all staff members to deliver their roles to the best of their abilities and support them to do so through performance management as well as their professional development plans. Occasionally, Trustees may consider salary reviews or bonuses based on individual performance, outside of the annual review process.

Typically, pay increases will be a percentage increase on all staff member's current salary levels. Trustees may also consider different percentage increases for different levels of seniority and/or salary within the organisation. No salary review will be offered within the probationary period. Employees on a formal performance improvement plan will not automatically be entitled to a pay increase.

Trustees are ultimately responsible for setting remuneration levels for Sound and Music's staff, advised by the Chief Executive.

The Remuneration Policy is reviewed annually by the Trustees and made available through the Staff Handbook and on the Sound and Music website.

Policy for employment of disabled persons

Sound and Music has an annually reviewed Diversity, Equity and Inclusion Policy which includes the following provision for disabled persons:

Sound and Music will make genuine efforts to recruit disabled people and take reasonable steps to make the workplace and individual jobs accessible to disabled people.

Sound and Music will regularly review its facilities for disabled employees, Trustees and volunteers and will try to overcome any problems faced wherever practicable and within reasonable resources available.

Sound and Music will ensure that people have maximum access to employment opportunities and to meetings and events, regardless of any disability.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Organisation for New Music and Sound for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2025

resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2025 was 12 (2024: 10). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The trustees' annual report has been approved by the Trustees on 3rd Sept 2025 and signed on their behalf by

Ramani Langley
Chair

Independent auditor's report

To the members of

The Organisation for New Music and Sound

Opinion

We have audited the financial statements of The Organisation for New Music and Sound (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, 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 charitable company's affairs as at 31 March 2025 and of its 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
- 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 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 Organisation for New Music and Sound'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.

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's 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.

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

The Organisation for New Music and Sound

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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

The Organisation for New Music and Sound

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Jonathan Coyle (Senior statutory auditor)

10 September 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

The Organisation for New Music and Sound

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2025 Total £	2024 Total
Income from:							
Donations	3	449,214	–	225,698	–	674,912	744,592
Charitable activities	4						
Artist development		11,401	–	40,800	–	52,201	39,521
Education		22,125	–	28,207	–	50,332	70,536
Digital and Audience Engagement		–	–	–	–	–	1,501
Music Patron		–	–	137,015	–	137,015	128,241
Investments		7,619	–	–	–	7,619	5,485
Total income		490,359	–	431,720	–	922,079	989,876
Expenditure on:							
Raising funds		143,285	–	–	–	143,285	143,521
Charitable activities							
Artist development		190,202	–	129,926	–	320,128	277,438
Education		103,842	–	137,796	–	241,638	235,638
Digital and Audience engagement		–	–	–	–	–	247,831
Music Patron		–	–	155,398	–	155,398	141,905
Total expenditure	5a	437,329	–	423,120	–	860,449	1,046,333
Net income/(expenditure) before net gains on investments		53,030	–	8,600	–	61,631	(56,457)
Net (losses)/gains on investments		9,582	–	–	11,384	20,966	130,145
Net (expenditure)/income for the year	6	62,612	–	8,600	11,384	82,597	73,688
Transfers between funds		15,338	7,762	–	(23,100)	–	–
Net movement in funds		77,950	7,762	8,600	(11,716)	82,597	73,688
Reconciliation of funds:							
Total funds brought forward		526,135	178,238	141,150	1,189,058	2,034,581	1,960,893
Total funds carried forward	17	604,086	186,000	149,750	1,177,342	2,117,178	2,034,581

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

The Organisation for New Music and Sound

Balance sheet

Company no. 06581022

As at 31 March 2025

	Note	£	2025 £	£	2024 £
Fixed assets:					
Tangible assets	11		5,902		9,647
Investments	12		1,771,612		1,773,746
			<u>1,777,514</u>		<u>1,783,393</u>
Current assets:					
Debtors	13	16,896		33,150	
Cash at bank and in hand		368,228		268,996	
			<u>385,124</u>	<u>302,146</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(45,460)		(50,958)	
			<u>339,664</u>		<u>251,188</u>
Net current assets					
Total net assets	15a		<u>2,117,178</u>		<u>2,034,581</u>
The funds of the charity:	16a				
Restricted income funds			149,750		141,150
Unrestricted income funds:					
Designated funds		186,000		178,238	
General funds		604,086		526,135	
			<u>790,086</u>	<u>704,373</u>	
Total funds – Sound and Music			<u>939,836</u>	<u>845,523</u>	
Linked charity unrestricted funds:					
Arthur A Paul Memorial Fund			1,177,342		1,189,058
Total funds			<u>2,117,178</u>	<u>2,034,581</u>	

Approved by the trustees on 3 September 2025 and signed on their behalf by

Ramani Langley
Chair

The Organisation for New Music and Sound

Statement of cash flows

For the year ended 31 March 2025

	Note	2025 £	£	2024 £	£
Net income for the reporting period (as per the statement of financial activities)		82,597		73,688	
Depreciation charges		3,745		5,456	
Depreciation charges eliminated on disposal		–		–	
Losses/(Gains) on investments		(20,966)		(130,145)	
Dividends, interest and rent from investments		(7,619)		(5,485)	
Decrease / (Increase) in debtors		16,254		79,254	
Increase / (decrease) in creditors		(5,497)		(224)	
Net cash provided by / (used in) operating activities		68,513		22,543	
Cash flows from investing activities:					
Dividends, interest and rents from investments		7,619		5,485	
Purchase of fixed assets		–		(604)	
Disposals of fixed assets		–		604	
Purchase of investments		–		–	
Proceeds from sale of investments		23,100		41,800	
Net cash (used in) investing activities		30,719		47,285	
Change in cash and cash equivalents in the year		99,233		69,829	
Cash and cash equivalents at the beginning of the year		268,996		199,167	
Cash and cash equivalents at the end of the year		368,228		268,996	

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies

a) Statutory information

The Organisation for New Music and Sound is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is Oxford House, Derbyshire Street, Bethnal Green, London, E2 6HG.

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

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

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from charitable activities is received principally by way of grants and are included in full in the Statement of Financial Activities. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the income.

f) Investment income and interest receivable

Investment income and bank interest receivable is fully accrued at the balance sheet date.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

The Arthur A Paul Memorial Fund is a linked charity, comprised mainly of an endowment fund. Endowment funds comprise expendable endowment capital, over which the trustees have a power of discretion to convert into income. The investment income is therefore credited directly to the endowment fund.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised on an accruals basis 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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose;
- Expenditure on charitable activities includes the costs of delivering its activities and programmes undertaken to further the purposes of the charity and their associated support costs. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them;
- Other expenditure represents those items not falling into any other heading.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff costs, on the amount attributable to each activity:

- | | |
|-------------------------|-----|
| ● Cost of raising funds | 28% |
| ● Artist development | 46% |
| ● Education | 26% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|---------------------------|---------|
| ● Office furniture | 5 years |
| ● Equipment and computers | 3 years |

l) Heritage assets

Heritage assets comprise the British Music collection that comprises a library of British music written since 1900. These items are not included on the balance sheet because in the opinion of the trustees the cost of professionally valuing them would outweigh the benefits to the users of the financial statements.

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) Cash at bank and in hand

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

p) Creditors and provisions

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

q) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

Members of staff are eligible to join a stakeholder pension scheme to which the charity contributes. Contributions are charged to the Statement of Financial Activities for the year in which they relate.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2025

2 Detailed comparatives for the statement of financial activities

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2024 Total £
Income from:					
Donations and legacies	456,629	–	287,963	–	744,592
Charitable activities:					
Artist development	2,271	–	37,250	–	39,521
Education	25,979	–	44,557	–	70,536
Digital & Audience engagement	1,501	–	–	–	1,501
Music Patron	–	–	128,241	–	128,241
Investments	5,485	–	–	–	5,485
Total income	491,865	–	498,011	–	989,876
Expenditure on:					
Raising funds	143,521	–	–	–	143,521
Charitable activities					
Artist development	105,381	58,275	113,782	–	277,438
Education	7,697	19,245	208,696	–	235,638
Digital and Audience engagement	185,134	20,000	42,697	–	247,831
Music Patron	24,032	–	117,873	–	141,905
Total expenditure	465,765	97,520	483,048	–	1,046,333
Net income / (expenditure) before gains on investments	26,100	(97,520)	14,963	–	(56,457)
Net (losses)/gains on investments	21,537	–	–	108,608	130,145
Net (expenditure)/income for the year	47,637	(97,520)	14,963	108,608	73,688
Transfers between funds	127,544	(85,744)	–	(41,800)	–
Net movement in funds	175,181	(183,264)	14,963	66,808	73,688
Total funds brought forward	350,954	361,502	126,187	1,122,250	1,960,893
Total funds carried forward	526,135	178,238	141,150	1,189,058	2,034,581

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2025

3 Income from donations

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Donations	13,615	–	13,615	21,030	–	21,030
In kind donations	–	–	–	–	–	–
Grants:						
Arts Council England	435,599	225,698	661,297	435,599	287,963	723,562
	449,214	225,698	674,912	456,629	287,963	744,592

4 Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Artist development:						
Bliss Trust	–	–	–	–	500	500
British Council	–	20,000	20,000	–	–	–
Creative Scotland	–	–	–	–	6,750	6,750
Garrick Charitable Trust	–	2,500	2,500	–	–	–
Jerwood Foundation	–	–	–	–	30,000	30,000
Michael Guest Charitable Trust	–	2,000	2,000	–	–	–
Marchus Trust	–	4,800	4,800	–	–	–
PRS Foundation	–	10,000	10,000	–	–	–
Vaughan Williams	–	1,500	1,500	–	–	–
Project income	11,401	–	11,401	2,271	–	2,271
Sub-total for Artist development	11,401	40,800	52,201	2,271	37,250	39,521
Education:						
Bliss Trust	–	500	500	–	500	500
Boris Karloff Foundation	–	2,000	2,000	–	2,000	2,000
Doris Field Charitable Trust	–	–	–	–	1,000	1,000
Doyle Cart Foundation	–	–	–	–	3,000	3,000
Elizabeth Lake	–	–	–	–	2,500	2,500
Faber Music	–	10,000	10,000	–	10,000	10,000
Finzi Trust	–	1,000	1,000	–	–	–
John Thaw Foundation	–	1,000	1,000	–	500	500
P Routledge Foundation	–	2,000	2,000	–	–	–
The Britford Bridge	–	–	–	–	10,000	10,000
The Hyne Trust	–	300	300	–	–	–
The Sampimon Trust	–	–	–	–	2,000	2,000
Three Monkeys Trust	–	5,000	5,000	–	5,000	5,000
Wise Music	–	2,000	2,000	–	–	–
Others	–	4,407	4,407	–	8,057	8,057
Project income	22,125	–	22,125	25,979	–	25,979
Sub-total for Education	22,125	28,207	50,332	25,979	44,557	70,536
Digital and Audience engagement:						
Project income	–	–	–	1,501	–	1,501
Sub-total for Digital and Audience engagement	–	–	–	1,501	–	1,501
Music Patron						
Anthony Bolton	–	5,500	5,500	–	–	–
Boltini Trust	–	100,000	100,000	–	100,000	100,000
Colin Matthews	–	–	–	–	250	250
David and Deborah Charitable Trust	–	2,500	2,500	–	–	–
John Singer	–	5,000	5,000	–	–	–
Ralph Kanza	–	–	–	–	20,000	20,000
Vernon Ellis	–	2,000	2,000	–	–	–
Other	–	22,015	22,015	–	7,991	7,991
Sub-total for Music Patron	–	137,015	137,015	–	128,241	128,241
Total income from charitable activities	33,526	206,022	239,548	29,751	210,048	239,799

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2025

5a Analysis of expenditure (current year)

Charitable activities

	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Music Patron £	Governance costs £	Support costs £	2025 Total £	2024 Total £
Staff costs (Note 7)	73,806	122,127	69,929	–	–	52,431	18,543	111,127	447,963	573,157
Direct costs	494	83,850	106,347	–	–	102,967	–	11,784	305,442	356,580
Premises	–	–	–	–	–	–	–	38,340	38,340	35,684
Finance, legal and professional	–	–	–	–	–	–	12,000	2,531	14,531	13,007
Communications	–	–	–	–	–	–	–	1,743	1,743	1,645
Staff recruitment, travel, training and subsistence	–	–	–	–	–	–	326	21,906	22,232	26,154
Depreciation of fixed assets	–	–	–	–	–	–	–	3,745	3,745	5,456
General office and administration	–	–	–	–	–	–	–	12,306	12,306	21,671
Computer maintenance and IT	–	–	–	–	–	–	–	14,147	14,147	12,980
	74,300	205,977	176,276	–	–	155,398	30,869	217,629	860,449	1,046,333
Support costs	60,416	99,971	57,242	–	–	–	–	(217,629)	–	–
Governance costs	8,569	14,180	8,120	–	–	–	(30,869)	–	–	–
Total expenditure 2025	143,285	320,128	241,638	–	–	155,398	–	–	860,449	
Total expenditure 2024	143,521	277,438	235,638	247,831	–	141,905	–	–		1,046,333

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2025

5b Analysis of expenditure (prior year)

	Charitable activities								
	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Music Patron £	Governance costs £	Support costs £	2024 Total £
Staff costs (Note 7)	83,911	115,837	63,038	122,271	-	61,539	17,471	109,091	573,157
Direct costs	3,440	84,060	130,401	43,711	-	80,366	-	14,602	356,580
Premises	-	-	-	-	-	-	-	35,684	35,684
Finance, legal and professional	-	-	-	-	-	-	11,150	1,857	13,007
Communications	-	-	-	-	-	-	-	1,645	1,645
Staff recruitment, travel, training and subsistence	-	-	-	-	-	-	43	26,111	26,154
Depreciation of fixed assets	-	-	-	-	-	-	-	5,456	5,456
General office and administration	-	-	-	-	-	-	-	21,671	21,671
Computer maintenance and IT	-	-	-	-	-	-	-	12,980	12,980
	87,351	199,896	193,439	165,982	-	141,905	28,664	229,096	1,046,333
Support costs	49,924	68,919	37,506	72,747	-	-	-	(229,096)	-
Governance costs	6,246	8,623	4,693	9,102	-	-	(28,664)	-	-
Total expenditure 2024	143,521	277,438	235,638	247,831	-	141,905	-	-	1,046,333

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2025 £	2024 £
Depreciation	3,745	5,456
Operating lease rentals:		
Property	9,412	8,923
Auditor's remuneration (excluding VAT):		
Audit – current year	10,000	9,250
Other services – under/(over) accrual in previous year	–	–
Other services – VAT advice	–	–
	<u> </u>	<u> </u>

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	397,399	511,324
Social security costs	34,740	43,313
Employer's contribution to defined contribution pension schemes	15,824	18,520
	<u> </u>	<u> </u>
	<u>447,963</u>	<u>573,157</u>

Salaries and wages include redundancy and ex-gratia payments totalling £0 made to 0 employees (2024: £14,617, 5 employees).

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025 No.	2024 No.
£60,000 – £69,999	–	2
£70,000 – £79,999	1	–
	<u> </u>	<u> </u>

The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel were £246,033 (2024: £330,456).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £326 (2024: £43) incurred by 2 (2024: 1) members relating to attendance at meetings of the trustees and organisational events.

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2025 No.	2024 No.
Charitable activities	9.0	14.0
Raising funds	2.0	2.0
Governance of the charity	1.0	1.0
	12.0	17.0

9 Related party transactions

No payments were made to related parties in 2025 (2024: £nil).

There are no donations (2024: none) from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Office furniture £	Equipment & computers £	Total £
Cost			
At the start of the year	5,900	35,812	41,712
Additions in year	–	–	–
Disposals in year	–	(728)	(728)
At the end of the year	5,900	35,084	40,984
Depreciation			
At the start of the year	2,732	29,333	32,065
Charge for the year	1,180	2,565	3,745
Eliminated on disposal	–	(728)	(728)
Gain on disposal	–	–	–
At the end of the year	3,912	31,170	35,082
Net book value			
At the end of the year	1,988	3,914	5,902
At the start of the year	3,168	6,479	9,647

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2025

11b Heritage assets

In addition to the capitalised functional fixed assets, the charity also owns "The British Music Collection" comprising a music library of some 30,000 scores, 15,000 recordings and background information on British music written since 1900. It includes both published and commercially recorded and unpublished material, and is held on long term deposit at the University of Huddersfield's Archive Centre, Heritage Quay. The written archives of the founder organisations were also placed on long term deposit at Heritage Quay during 2015–16. These assets have not been included in the balance sheet because, in the opinion of the trustees, the cost of professionally valuing them to include a value in the financial statements would outweigh the benefits to the users of the financial statements.

12 Listed investments

	2025 £	2024 £
Fair value at the start of the year	1,773,746	1,685,401
Additions at cost	–	–
Disposal proceeds	(23,100)	(41,800)
(Losses)/gains	20,966	130,145
Fair value at the end of the year	1,771,612	1,773,746
Cash held by investment managers for re-investment	–	–
Fair value at the end of the year	1,771,612	1,773,746
Listed investments are represented by:		
UK mutual funds	1,771,612	1,773,746
Cash held for investment managers for reinvestment	–	–
Fair value at the end of the year	1,771,612	1,773,746

13 Debtors

	2025 £	2024 £
Trade debtors	–	750
Other debtors	2,041	8,367
Prepayments	7,057	4,015
Accrued income	7,798	20,018
	16,896	33,150

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	22,722	38,255
Other creditors	991	2
Accruals	21,747	12,701
	45,460	50,958

15a Analysis of net assets between funds (current year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	5,902	–	–	–	5,902
Investments	452,979	141,291	–	1,177,342	1,771,612
Net current assets	145,205	44,709	149,750	–	339,664
Net assets at the end of the year	604,086	186,000	149,750	1,177,342	2,117,178

15b Analysis of net assets between funds (prior year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	9,647	–	–	–	9,647
Investments	434,294	150,393	–	1,189,058	1,773,745
Net current assets	82,194	27,845	141,150	–	251,189
Net assets at the end of the year	526,135	178,238	141,150	1,189,058	2,034,581

16a Movements in funds (current year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment (losses)/ gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,189,058	-	-	11,384	(23,100)	1,177,342
Restricted funds:						
<u>Core Fundraising:</u>						
ACE Transform 2	26,226	161,297	(141,529)	-	-	45,994
ACE NYMO	73	64,401	(64,474)	-	-	-
	26,299	225,698	(206,003)	-	-	45,994
<u>Artist development:</u>						
British Council	-	20,000	-	-	-	20,000
New Voices	9,000	1,500	-	-	(10,500)	-
In Motion	30,308	19,300	(6,900)	-	10,500	53,208
	39,308	40,800	(6,900)	-	-	73,208
<u>Education</u>						
In the Making: residential (formerly Summer School)	34,784	26,207	(54,575)	-	-	6,416
Fran Hanley fund	12,406	-	-	-	-	12,406
In the Making – General	1,550	2,000	(244)	-	-	3,306
	48,740	28,207	(54,819)	-	-	22,128
<u>Music Patron :</u>						
MP running costs	26,803	137,015	(155,398)	-	-	8,420
	26,803	137,015	(155,398)	-	-	8,420
Total restricted funds	141,150	431,720	(423,120)	-	-	149,750
Unrestricted funds:						
General fund	526,135	490,359	(437,329)	9,582	15,338	604,086
Designated funds:						
Project Completion Reserve						
<u>Artist Development:</u>						
British Music Collection	-	-	-	-	10,000	10,000
Essentials Fund (formerly Francis Chagrin)	10,000	-	-	-	-	10,000
Fair Access Principles	10,000	-	-	-	-	10,000
New Voices	13,238	-	-	-	(13,238)	-
In Motion	97,000	-	-	-	-	97,000
<u>Education</u>						
In the Making: residential	25,000	-	-	-	30,000	55,000
New Music Labs	8,000	-	-	-	(4,000)	4,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	15,000	-	-	-	(15,000)	-
Total designated funds	178,238	-	-	-	7,762	186,000
Total unrestricted funds	704,373	490,359	(437,329)	9,582	23,100	790,086
Total funds	2,034,581	922,079	(860,449)	20,966	-	2,117,178

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2025

16b Movements in funds (prior year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,122,250	-	-	108,608	(41,800)	1,189,058
Restricted funds:						
<u>Core Fundraising:</u>						
ACE Transform 1	-	54,406	(54,406)	-	-	-
ACE Transform 2	-	169,156	(142,930)	-	-	26,226
ACE NYMO	-	64,401	(64,328)	-	-	73
	-	287,963	(261,664)	-	-	26,299
<u>Artist development:</u>						
ISCM	-	500	(500)	-	-	-
New Voices	17,500	-	(17,500)	-	9,000	9,000
In Motion	-	36,750	(6,442)	-	-	30,308
	17,500	37,250	(24,442)	-	9,000	39,308
<u>Education</u>						
Summer School	40,428	42,557	(48,201)	-	-	34,784
Fran Hanley fund	12,406	-	-	-	-	12,406
Listen, Imagine, Compose - Primary	16,606	-	(16,606)	-	-	-
Minute of Listening	377	-	(377)	-	-	-
In the Making - General	-	2,000	(450)	-	-	1,550
	69,817	44,557	(65,634)	-	-	48,740
<u>Digital and Audience Engagement :</u>						
Composer/ Curator	9,000	-	-	-	(9,000)	-
British Council	11,516	-	(11,516)	-	-	-
	20,516	-	(11,516)	-	(9,000)	-
<u>Music Patron</u>						
MP running costs	11,445	128,241	(112,883)	-	-	26,803
MP development cost	4,990	-	(4,990)	-	-	-
	16,435	128,241	(117,873)	-	-	26,803
Other - John Seaton	1,919	-	(1,919)	-	-	-
Total restricted funds	126,187	498,011	(483,048)	-	-	141,150
Unrestricted funds:						
General fund	350,954	491,865	(465,765)	21,537	127,544	526,135
Designated funds:						
Project Completion Reserve						
<u>Artist development:</u>						
Adopt a Composer	1,600	-	(452)	-	(1,148)	-
Associates	10,000	-	-	-	(10,000)	-
Francis Chagrin Covid19 Composer awards	30,000	-	(5,250)	-	(14,750)	10,000
ISCM	4,000	-	(1,636)	-	(2,364)	-
Networks	12,000	-	(1,354)	-	(646)	10,000
New Voices	138,902	-	(49,583)	-	(76,081)	13,238
In Motion	-	-	-	-	97,000	97,000
<u>Education</u>						
Go compose	30,000	-	-	-	(30,000)	-
Go compose Inspire Days	5,000	-	-	-	(5,000)	-
Minute of Listening	25,000	-	(4,758)	-	(20,242)	-
Summer School	75,000	-	(14,487)	-	(60,513)	-
In the Making: residential	-	-	-	-	25,000	25,000
New Music Labs	10,000	-	-	-	(2,000)	8,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	20,000	-	(20,000)	-	15,000	15,000
Total designated funds	361,502	-	(97,520)	-	(85,744)	178,238
Total unrestricted funds	712,456	491,865	(563,285)	21,537	41,800	704,373
Total funds	1,960,893	989,876	(1,046,333)	130,145	-	2,034,581

17 Movements in funds (continued)

Purposes of funds

Linked charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. The trustees of the Arthur A Paul Memorial Fund are required to maintain the capital value of the fund.

Restricted funds

British Council

A grant awarded by British Council for the New Music Commissioning Programme: 2025/26 to nurture collaboration between UK and international artists that will lead to building future relationships, capacity building, collaborative projects and increase professional networks.

In Motion

New composer development programme replacing New Voices and Composer/curator. Any funds brought forward from the previous year towards the old programmes were transferred to In Motion. The programme is funded by PRS Foundation, Creative Scotland, Jerwood Foundation, Garrick Charitable Trust, Michael Guest Charitable Trust, Marchus Trust and Arts Council Transform 2.

In the Making: residential

New residential for young composers replacing Summer School. Funded in part by Arts Council NYMO funding, Faber Music, The Britford Bridge Trust, Three Monkeys Trust, D'Oyly Carte Charitable Trust, Boris Karloff Foundation, Finzi Trust, Wise Music, John Thaw Foundation, Bliss Trust, The Hyne Trust, other trusts and individual donors.

Fran Hanley Fund

Donations to a fund supporting young musicians. From 2025/26 the fund will be used to support young musicians through the In the Making: residential.

In the Making – General

New programme for young people funded by The Sampimon Trust and P Routledge Foundation

Music Patron

An online platform connecting composers and patrons. Funded by the Boltini Trust, Anthony Bolton, Ralph Kanza, John Singer, Vernon Ellis and The David and Deborah Stileman Charitable Trust.

Designated funds

Project Completion Reserve. It is in the nature of the charity's activities that projects are committed to in one year but often continue into the following year. The Project Completion Reserve has been established to ensure these commitments can be met. During the financial year the designated funds for New Voices was closed and the brought forward balance from the previous year was transferred to the general fund. British Music Collection was re-categorised to Artist Development and £5,000 of the brought forward balance was transferred to the general fund. The amount in the New Music Labs fund was reduced to £4,000 and the remainder was transferred to the general fund.

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2025 £	2024 £
Less than one year	9,412	8,923
	<u>9,412</u>	<u>8,923</u>

The charity had no contingent assets or liabilities at the balance sheet date (2024: none).

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THE ORGANISATION FOR NEW MUSIC AND SOUND

England & Wales - Charity number 1124609

Accounts

Company number: 06581022

Charity Number: 1124609

The Organisation for New Music and Sound

(trading as Sound and Music)

Report and financial statements

For the year ended 31 March 2024

The Organisation for New Music and Sound

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For the year ended 31 March 2024

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The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2024

Company number 06581022 – incorporated in the United Kingdom

Charity number 1124609 – registered in England and Wales

Other name by which the charity makes itself known Sound and Music

Registered office and operational address Oxford House
Derbyshire Street
London
E2 6HG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Gregory Davies (Chair) (retired September 24)
Ramani Langley (Chair) (appointed September 24)
Catherine Bunting
Belinda Dee
David Lasserson
Imogen Lawlor
Dennis Lee
Sam Palmer
Joanne Thomas (retired June 24)
Alastair Cotterill
Atem Mbeboh

Key management personnel Susanna Eastburn MBE – Chief Executive (until May 2023)
Hannah Bujic – Co-Head of Artist Development (until February 2024)
Will Dutta – Co-Head of Artistic Development (until May 2023)
Will Dutta – Chief Executive (from May 2023)
Nuria Rivero – Finance Manager
Victoria Johnson – Head of Digital and Audience Engagement (until February 2024)
Beatrice Hubble – Head of Education (until January 2024)
Sonia Stevenson – Head of Music Patron
Alex Wright – Head of Development (until February 2024)
Laonikos Psimikakis Chalkokondylis – Head of Programmes (from June 2024)
Finn Grant – Head of External Engagement (from June 2024)

The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2024

Investment Managers	Seven Investment Management Limited 125 Old Broad Street London EC2N 1AR
	Cazenove Investment Management Limited 1 London Wall Place London EC2Y 5AU
Bankers	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Solicitors	Bircham Dyson Bell 50 Broadway London SW1H 0BL
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane London EC1Y 0TG

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2024

The trustees present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The charity's purposes as set out in the objects contained in the Memorandum and Articles of Association are to:

"Promote and foster the understanding and appreciation of sonic art and music including (but not limited to) new British music."

Its mission is to maximise the opportunities for people of all ages and from all backgrounds to create and enjoy new music.

During the year in question, the organisation entered into a period of change with the arrival of Will Dutta as new Chief Executive in May. The development of a new strategic framework and five-year business plan is underway and centred around three aims:

- Pure creativity: to support composers to transform the way they make music and sound;
- Applied creativity: to support composers to apply their creativity in new contexts;
- Everyday creativity: to activate people's creative listening and composing skills.

The charity supports anyone who wants to make music and sound to shape the modern world by enabling individuals to challenge expectations and discover their potential, and act as a friendly guide for those who want to listen deeper. The charity's work sustains more careers, progresses creativity, and seeks to achieve greater equity across music in the UK.

The Trustees review the aims, objectives and activities of the charity each year, monitoring progress on a quarterly basis. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives, and activities remained focused on its stated purposes.

Public benefit

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

Benefits to the public of Sound and Music's activities include:

- Artist development and education
 - Working to increase the diversity of composers who are benefiting from talent development opportunities and whose work is heard by the public, both through Sound and Music's own programmes, and through campaigning, including work around the Fair Access Principles;
 - Working in partnership with other organisations to develop composers' talent and professional skills, and to enable new work to be presented publicly;
 - Supporting composers to develop new skills, networks, and the capabilities necessary to sustain their career;
 - Education work nationally both in and out of schools (including Sound and Music's acclaimed Summer School for composers aged 14–18, the only activity of its kind in the UK);
- Access and engagement
 - Proactively working to improve the public's access to, and discovery of, a wide range of new music and composers;
 - Online access to a vast range of resources, from national collections of music scores and recordings to blogs, opportunities for composers, toolkits, research, and evaluation;
 - Disseminating curated creative content and public events about new music, in the form of e-newsletters, social media content and digital platform activity;
 - Access to the British Music Collection, 30,000 20th and 21st century music scores located in Heritage Quay, the state-of-the-art archive centre at the University of Huddersfield, and also catalogued online alongside a wealth of content including AV footage, recordings, curated content, photographs and interviews.

Sound and Music is a national and international organisation that seeks to reach all those with an interest in new music in the UK, as well as to diversify the people engaging with it.

Achievements and performance

2023–24 saw several significant changes for Sound and Music. Firstly, at a programme level, work began to streamline activity from many different programme strands to just two flagship offers for young people and composers aged 18 and over. The charity concluded Composer–Curator, which had been running since 2015, and ended its association with Making Music and Adopt a Music Creator. New Voices 2022 will be the last year of this industry–leading programme that has run since 2018.

Two new programmes, In the Making, for 14–18–year–olds and In Motion, for composers aged 18 and over, launched with open calls in December and the extensive selection processes took place throughout the fourth quarter of the year. In Motion received 350 applications – a new record for the charity. It is a testimony to the Board and staff of Sound and Music that these changes were addressed positively and productively, even while the organisation continued to deliver a significant level of activity on legacy programmes, such as New Voices and Summer School, to an exceptionally high standard, affecting the lives of hundreds of artists and young people.

Secondly, the achievements above have taken place within the context of organisational change. The 31% reduction in Arts Council England's funding to the charity as part of the National Portfolio Organisation (NPO) programme came into effect in April 2023. Consequently, the charity underwent a restructure in January 2024, which saw five members of the team leave by way of redundancy. Two new senior roles were created and Finn Grant and Laonikos Psimikakis–Chalkokondylis were appointed Head of External Engagement and Head of Programmes in June 2024, respectively.

In terms of activity delivered, objectives and monitoring data were collated and reviewed quarterly by SMT and the Board in order to measure and evaluate progress. Highlights and achievements during the year included:

Pure Creativity

In total 22 composers (working across a wide range of genres, and from across the UK) were supported during the year on talent development programmes (compared to 65 in 2022–23 and 78 in 2021–22). Despite the reduction of new frontline activity, as seen by the lower selected applicant numbers above, Composers were supported through a mix of programmes including New Voices and the ISCM.

Selected applicant data demonstrate Sound and Music's progress in selecting composers from Black, Asian, and ethnically diverse backgrounds (29%); who are D/deaf or disabled (29%); minority gender (14%) and who identify as women (43%). 64% of selected composers were based outside London, and 71% of them were working with the organisation for the very first time.

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Legacy programme activity continued apace with composers presenting performances of new work at the Roundhouse, 180 Strand, Royal Conservatoire of Scotland and The Yard and broadcasts on BBC Radio 3 and Radio 6 Music.

70 young people aged 14–18 participated in the final edition of the Summer School, which after 15 successful years at Purcell School, ended the programme. 300 primary school children participated in Go Compose a Minute supported by Tower Hamlets Arts and Music Education Service (THAMES). A new Music, Art and Design-based resource was published as a result of the partnership.

Listen Imagine Compose Primary in partnership with Birmingham Contemporary Music Group (BCMG) won the 'Excellence in Primary/Early Years (Music & Drama)' award at the Music & Drama Education Awards 2024.

Applied Creativity

Activity continued on the British Music Collection while longer term plans were considered as part of a new curatorial and development strategy. The musical outcomes of Digital Bridge, a project supported by British Council, were shared and Sara Rahman was commissioned as part of Beyond the Edge, which featured in a special event at Heritage Quay at the University of Huddersfield as part of Kirklees Year of Music. The platform continued to perform strongly and exceed reach and engagement targets with over 84,000 unique users.

The Music Patron project (funded by the Boltini Trust) continued to develop with an open call to select a new cohort of composers onto the platform, bringing the total number to 29.

Everyday Creativity

A new Minute of Listening collection launched in partnership with The BRIT Kids, created by 20 young people aged 10–17. The platform exceeded reach and engagement targets with 12,000 unique users.

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Financial review: Overview

Sound and Music's total income for the year was £989,876 (2022–23: £1,044,985), of which £500,000 (2022–23: £717,625) was represented by the core grant from Arts Council England and £223,562 (2022–23: £nil) by Transform stages one and two. Income from projects and fundraising was £239,799 (2022–23: £290,567). Income from other core grants and donations was £21,030 (2022–23: £35,102), and investment income and other activities totalled £5,485 (2022–23: £1,691).

The organisation expended £1,046,333 (2022–23: £1,192,404).

General funds

Following transfers between funds and movements in investments, the net increase in unrestricted general funds was £175,181.

Designation of funds

It is in the nature of the charity's activities that projects are budgeted in one particular year, but may only complete in the following year, with expenditure partly falling into the following year. The Board agrees in these cases to designate funds in order to secure the project delivery.

At 31st March 2023, the Project Completion Reserve held £361,502 in respect of projects which were originally budgeted for 2022–23 but in respect of which the expenditure was completed in 2024. The amount held at 31 March 2024 (£178,238) are funds designated for the completion of a number of projects that were committed to and started in the 2023–24 financial year but with delivery also taking place in 2024–25.

Balance on general funds

Retained general funds carried forward at 31 March 2024 amount to £526,135 compared with £350,954 at 31 March 2023.

Restricted funds

At 31 March 2024 there were restricted funds relating to projects of £141,150 (2023: £126,187).

Arthur A Paul Memorial Fund – Linked Charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the Trustees of Sound and Music. Trustees of the AA Paul Memorial Fund are the same as Trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. According to the conditions of the Trust Deed

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governing the transferral of the Fund to Sound and Music, Trustees must seek in the long term to preserve the value of the capital of the Fund having regard to inflation.

The Fund's long term objective is to support, in perpetuity, the charitable activities of Sound and Music. It is invested therefore according to an agreed and annually reviewed Investment Policy Statement which seeks to protect the capital value of the fund whilst generating a sustainable level of financial return.

In accordance with the Investment Policy and the agreed formula within it for quarterly calculation of funds to be transferred, The Arthur A Paul Trustees agreed to transfer £41,800 over the year to the charitable activities of Sound and Music to support activities promoting the presentation of original work by emerging composers, musicians and artists, in accordance with the terms of the Trust Deed.

Investment Policy Statement

AA Paul Trustees have an approved Investment Policy Statement. This brings together all of the considerations that are relevant to the management of the AA Paul Memorial Fund portfolio in one place. Any investment managers appointed to manage the assets of the Fund must follow the requirements of the Investment Policy Statement.

The Investment Policy Statement is reviewed annually by the AA Paul Trustees to ensure that it continues to describe accurately the objectives, constraints and other requirements of the Fund.

The Trustees of the Arthur A Paul Memorial Fund are bound to promote the best long-term interests of the Charity and to make adequate provision for both the present and future funding needs of the Charity. The Fund's long-term objective is to support, in perpetuity, the charitable activities of Sound and Music. To do this, the Investment Policy Statement includes an agreed approach to balancing the need to achieve a financial return sufficient to achieve the Charity's funding objectives, whilst endeavouring to maintain the purchasing power of the Fund's assets and the returns arising after taking into account the effects of inflation.

The Fund's assets are invested in accordance with the requirements of the Trustee Act 2000, Sound and Music's Articles of Association, and Charity Commission requirements. Trustee investment policy decisions are therefore to be made:

- within the scope of the powers of investment available to the Trustees;
- in accordance with the duties in section 4 of the Trustee Act 2000 including consideration of the suitability of investments and of diversification;
- through the adoption of investment strategies agreed by the Trustees and contained within the Investment Policy Statement.

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In addition, the Trustees require any investment manager to whom they delegate discretionary powers to exercise their delegated powers only within the guidelines contained in the Investment Policy Statement.

Principal risks and uncertainties

The Board reviews and assesses the risks – strategic, operational and compliance – to which the organisation is exposed at every Board meeting, with the finance sub-committee conducting a prior scrutiny. It holds this information as a Risk Assessment and agrees actions to limit and mitigate risks identified.

The Trustees ensure that the management of risk is ongoing and embedded in management and operational procedures. Risk assessment and management is undertaken under the following areas:

- Governance;
- Operational;
- External factors;
- Compliance with laws and regulations;
- Human resources;
- Environmental;
- Technology, and
- Financial.

The major risks to which the charity is exposed, as identified by the Trustees, are reviewed at least quarterly and systems have been established to mitigate those risks as far as possible. Principal risks in 2023–24 were around income generation (particularly in the light of the NPO funding decision); change of leadership; staff capacity and loss of key staff, as well as organisational uncertainty more generally, as new programmes came online, and legacy activity concluded. This uncertainty also raised risks around staff wellbeing.

Risks around income generation are mitigated as far as possible through a development strategy that includes clear and timed income targets; an ongoing programme of research into new income potential; engaging the wider team and the Board in supporting income generation; exploring new income sources including around earned income; balancing (and monitoring closely) expenditure commitments against funding secured or likely; ensuring that the programme is scalable wherever possible; developing strong and distinctive cases for support.

Risks around change of leadership, the new programme, team capacity, gaps in recruitment and wellbeing are mitigated through a mix of SMT and Trustee communication, and drawing in external coaching, HR and wellbeing support, which was implemented throughout 2023–24.

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Reserves policy

Sound and Music's reserves policy is that the organisation shall seek to maintain general fund reserves equal to six months operating expenditure. As at 31 March 2024, therefore, the target amount of general fund reserves is £327,107 which would enable Sound and Music to meet its operating costs and contractual commitments for six months in the event of having to wind up the charity. The current level of general fund reserves held (at 31 March 2024) is £526,135, which is above the target level.

Going concern

Sound and Music has Arts Council National Portfolio Organisation funding committed until March 2026, at a lower level than the funding period that ended in March 2023 but with Transform funding bridging 75% of the gap. In January 2024, Arts Council announced that they would be extending the National Portfolio Investment Programme for a further year, and we expect applicant guidance in September 2024.

At time of signing (September 2024) the combination of confirmed NPO funding until March 2026, and reserves at above target level, means that Trustees foresee no material uncertainties about the charity's ability to continue as a going concern for the twelve months from the signing of these accounts.

The Board will continue to review and sign off updated income and expenditure forecasts at least quarterly, with significant decisions being brought to them between meetings as necessary.

Plans for the future

Year one of the business plan in 2023–24 was about setting out on a new journey with a new Chief Executive. In 2024–25, Sound and Music will implement its new strategic framework. Milestone highlights include: The first cohorts of composers starting on two game-changing programmes, In Motion and In the Making; Music Patron officially launching in the spring; new and ambitious curatorial and development strategies for the British Music Collection and Minute of Listening platforms; and the public launch of The Trail with the first of many profile-raising activities for the organisation.

There are exciting opportunities and areas of work to explore too. Sound and Music will be open and responsive to these by moving quickly to identify and broker new partnerships; and will build the right networks and bring in new skills to maximise the intellectual property that it currently owns and will continue to create within the organisation.

Structure, Governance and Management

Sound and Music is a registered charity and a company limited by guarantee. Sound and Music was incorporated on 30 April 2008 and registered as a charity on 20 June 2008. Sound and Music

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was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Sound and Music has one standing sub-committee: a Finance Sub-Committee.

The Board met formally four times in the period. Formal meetings of the Sound and Music Board are normally attended by the Chief Executive, Executive Administrator and other members of the senior management team as required. The Board also regularly met outside formal Board meetings to plan and oversee CEO recruitment, and to support the organisation through change.

Appointment of trustees

The Articles of Association lay out the methods by which Trustees are elected and re-elected, the length of terms, and the maximum length of service. Sound and Music shall have at least 3 but no more than 12 Trustees. At each annual general meeting one quarter of the Trustees, being those longest in office, shall retire from office and offer themselves for re-election.

Sound and Music recruits new Trustees against a Trustee Brief which includes details of any specialist skills or expertise being sought, and, wherever practical, recruits via open advertisement through a number of channels.

Trustee induction and training

New Trustees receive a Welcome Pack which includes:

- A Trustee Handbook
- Past Board papers
- Previous audited accounts and Annual Report
- Business plan
- Details of other Trustees
- Current business plan

In addition, they have at least one meeting with the Chair. Potential Trustees are invited to observe a meeting before election at the subsequent meeting. New Trustees are also assigned another Board member (apart from the Chair) as a 'board buddy' to assist with any questions the new trustee may have. Training is available to all Board members.

Related parties and relationships with other organisations

Sound and Music keeps a Conflict of Interest register which is reviewed quarterly by Trustees as a standing agenda item at Board meetings. If a conflict of interest arises, then the conflicted individual takes no part in the discussion and at the judgement of the Chair (or Vice Chair, if it concerns the Chair) may be asked to leave the room.

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Details of payments to trustees are shown in note 7 of the accounts.

As noted above, Trustees of Sound and Music automatically are elected as Trustees of the linked charity, the Arthur A Paul Memorial Fund.

Finance Sub-Committee

The Finance Sub-Committee's remit is to focus in detail on the financial planning and management of Sound and Music, the investment of its assets, the audit process and the identification and control of risk. It meets four to five times a year and reports at each subsequent Board meeting to the full Board on its business. During the year in question, the Finance Sub-Committee was chaired by Sam Palmer. Other members were Greg Davies and Belinda Dee, Imogen Lawlor and Atem Mbeboh.

The Finance Sub-Committee's financial purpose is to: support the effective financial management of Sound and Music; advise and shape Sound and Music's approach to financial planning and monitoring; ensure high standards are achieved in this area of Sound and Music's work; seek to maximise Sound and Music's income and control expenditure and maximise the use of Sound and Music's financial assets; ensure a stable and realistic approach to managing Sound and Music's finances to allow the organisation to undertake its charitable objects in the short, medium and long term.

The Finance Sub-Committee's audit purpose is: to make recommendations to the Board about the appointment of auditors, their contract and remuneration, to review material to be submitted to the auditor and to work in detail with the Chief Executive, Finance Manager and auditors through the process, updating the Board as it proceeds.

The Finance Sub-Committee's risk purpose is to: make regular reviews of the risks to which the organisation is susceptible, report on this to the full Board and to monitor actions in place to control these risks.

Fundraising practice

As a charity, fundraising is an important aspect of Sound and Music and the organisation raises funds through applications to trusts and foundations; through individual donations; through grants from public bodies (including the Arts Council annual National Portfolio Organisation grant) and through earned income.

Sound and Music does not use external professional fundraisers, commercial participators or other third parties in fundraising. The organisation is fully compliant with all relevant and applicable codes and has received no complaints in the year. Individual giving campaigns are designed to protect vulnerable people through a number of measures including full compliance with GDPR legislation (in other words, consent has been given for the charity to be in contact); not employing telemarketers or other third parties to engage in telephone fundraising; and ensuring that any

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individual giving campaigns are supplied with sufficient information, and are designed to ensure a clear choice and decision on the part of the donor without time pressure being applied.

Remuneration policy

Sound and Music has a remuneration policy which is reviewed and agreed annually.

All roles are recruited within a salary range which is agreed by Trustees. This range is set through consideration of the following factors:

- Comparison with similar roles in the cultural and charity sectors, and other sectors if relevant to filling the role with appropriate qualified staff;
- Sound and Music's business plan and the requirements of its implementation;
- Sound and Music's ability to pay, including:
 - The value created by these roles, both financial and against agreed KPIs
 - The cost to Sound and Music of increasing remuneration levels
 - The organisation's performance against income generation targets

All roles, including paid internships, offer at least the London Living Wage.

Sound and Music also invests in its staff through training and personal development. All members of staff are required to undertake a personal and professional development plan which is reviewed and agreed biannually.

All permanent posts are advertised through open recruitment and the salary range is included in the application pack. Salary ranges are consistent across the same job roles held by different members of staff. Level of pay within this range at the point of contract is determined by factors which include:

- level and relevance of past experience;
- assessment of competencies and training needs.

If an individual is recruited who has the potential but not yet the experience or skill to fill the requirements of the post, then a lower salary than the advertised range may be offered with an agreed package of training and professional development, together with a review point. Salaries are reviewed annually in line with budget setting and signed off as part of the budget approval process. Pay increases outside this cycle are not offered.

Pay increases are awarded against the factors outlined in Section (2) above, together with consideration of the CPIH measure.

Sound and Music takes a 'whole staff' approach to salary reviews rather than basing it on assessment of individual performance. All staff members are expected to deliver their roles to the best of their abilities and are supported to do so through performance management as well as

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For the year ended 31 March 2024

their professional development plans. Pay increases will typically be a percentage increase on all staff member's current salary levels. Exceptions to this are rare.

Trustees are ultimately responsible for setting remuneration levels for Sound and Music's staff, advised by the Chief Executive.

The Remuneration Policy is reviewed annually by the Trustees and made available through the Staff Handbook and on the Sound and Music website.

Policy for employment of disabled persons

Sound and Music has an annually reviewed Diversity, Equality and Inclusion Policy which includes the following provision for disabled persons:

Sound and Music will make genuine efforts to recruit disabled people and take reasonable steps to make the workplace and individual jobs accessible to disabled people.

Sound and Music will regularly review its facilities for disabled employees, Trustees and volunteers and will try to overcome any problems faced wherever practicable and within reasonable resources available.

Sound and Music will ensure that people have maximum access to employment opportunities and to meetings and events, regardless of any disability.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Organisation for New Music and Sound for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2024 was 10 (2023: 11). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The trustees' annual report has been approved by the Trustees on 11 September 2024 and signed on their behalf by

Greg Davies
Chair

Independent auditor's report

To the members of

The Organisation for New Music and Sound

Opinion

We have audited the financial statements of The Organisation for New Music and Sound (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, 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 charitable company's affairs as at 31 March 2024 and of its 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
- 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 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 Organisation for New Music and Sound'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.

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's 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.

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

The Organisation for New Music and Sound

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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

The Organisation for New Music and Sound

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Judith Miller (Senior statutory auditor)

25 September 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

The Organisation for New Music and Sound

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2024 Total £	2023 Total £
Income from:							
Donations	3	456,629	–	287,963	–	744,592	752,727
Charitable activities	4					–	–
Artist development		2,271	–	37,250	–	39,521	29,500
Education		25,979	–	44,557	–	70,536	123,223
Digital and Audience engagement		1,501	–	–	–	1,501	17,102
Music Patron		–	–	128,241	–	128,241	120,742
Investments		5,485	–	–	–	5,485	1,691
Total income		491,865	–	498,011	–	989,876	1,044,985
Expenditure on:							
Raising funds		143,521	–	–	–	143,521	107,884
Charitable activities						–	–
Artist development		105,381	58,275	113,782	–	277,438	328,871
Education		7,697	19,245	208,696	–	235,638	285,185
Digital and Audience engagement		185,134	20,000	42,697	–	247,831	264,452
Music Patron		24,032	–	117,873	–	141,905	206,012
Total expenditure	5a	465,765	97,520	483,048	–	1,046,333	1,192,404
		–	–	–			
		–	–	–			
Net (expenditure) before net gains on investments		26,100	(97,520)	14,963	–	(56,457)	(147,419)
Net (losses)/gains on investments		21,537	–	–	108,608	130,145	(69,199)
Net (expenditure)/income for the year	6	47,637	(97,520)	14,963	108,608	73,688	(216,618)
Transfers between funds		127,544	(85,744)	–	(41,800)	–	–
Net movement in funds		175,181	(183,264)	14,963	66,808	73,688	(216,618)
Reconciliation of funds:							
Total funds brought forward		350,954	361,502	126,187	1,122,250	1,960,893	2,177,511
Total funds carried forward	17	526,135	178,238	141,150	1,189,058	2,034,581	1,960,893

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

The Organisation for New Music and Sound

Balance sheet

Company no. 06581022

As at 31 March 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	11		9,647		15,103
Investments	12		1,773,746		1,685,400
			<u>1,783,393</u>		<u>1,700,503</u>
Current assets:					
Debtors	13	33,150		112,405	
Cash at bank and in hand		268,996		199,167	
			<u>302,146</u>	<u>311,572</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(50,958)		(51,182)	
				<u></u>	
Net current assets			<u>251,188</u>		<u>260,390</u>
Total net assets	15a		<u>2,034,581</u>		<u>1,960,893</u>
The funds of the charity:	16a				
Restricted income funds			141,150		126,187
Unrestricted income funds:					
Designated funds		178,238		361,502	
General funds		526,135		350,954	
			<u>704,373</u>	<u></u>	<u>712,456</u>
Total funds – Sound and Music			<u>845,523</u>		<u>838,643</u>
Linked charity unrestricted funds:					
Arthur A Paul Memorial Fund			1,189,058		1,122,250
Total funds			<u>2,034,581</u>		<u>1,960,893</u>

Approved by the trustees on 11 September 2024 and signed on their behalf by

Greg Davies
Chair

The Organisation for New Music and Sound

Statement of cash flows

For the year ended 31 March 2024

	Note	2024 £	£	2023 £	£
Net income for the reporting period (as per the statement of financial activities)		73,688		(216,618)	
Depreciation charges		5,456		5,496	
Depreciation charges eliminated on disposal		–		–	
Losses/(Gains) on investments		(130,145)		69,199	
Dividends, interest and rent from investments		(5,485)		(1,691)	
Decrease / (Increase) in debtors		79,254		(1,367)	
Increase / (decrease) in creditors		(224)		(14,961)	
Net cash provided by / (used in) operating activities		22,543		(159,943)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		5,485		1,692	
Purchase of fixed assets		(604)		(6,918)	
Disposals of fixed assets		604		–	
Purchase of investments		–		–	
Proceeds from sale of investments		41,800		45,900	
Net cash (used in) investing activities		47,285		40,674	
Change in cash and cash equivalents in the year		69,829		(119,269)	
Cash and cash equivalents at the beginning of the year		199,167		318,436	
Cash and cash equivalents at the end of the year		268,996		199,167	

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies

a) Statutory information

The Organisation for New Music and Sound is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is Oxford House, Derbyshire Street, Bethnal Green, London, EC2 6HG

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

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

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from charitable activities is received principally by way of grants and are included in full in the Statement of Financial Activities. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the income.

f) Investment income and interest receivable

Investment income and bank interest receivable is fully accrued at the balance sheet date.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

The Arthur A Paul Memorial Fund is a linked charity, comprised mainly of an endowment fund. Endowment funds comprise expendable endowment capital, over which the trustees have a power of discretion to convert into income. The investment income is therefore credited directly to the endowment fund.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised on an accruals basis 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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose;
- Expenditure on charitable activities includes the costs of delivering its activities and programmes undertaken to further the purposes of the charity and their associated support costs. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them;
- Other expenditure represents those items not falling into any other heading.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff costs, on the amount attributable to each activity:

• Cost of raising funds	22%
• Artist development	30%
• Education	16%
• Digital and Audience engagement	32%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Office furniture	5 years
• Equipment and computers	3 years

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies (continued)

l) Heritage assets

Heritage assets comprise the British Music collection that comprises a library of British music written since 1900. These items are not included on the balance sheet because in the opinion of the trustees the cost of professionally valuing them would outweigh the benefits to the users of the financial statements.

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) Cash at bank and in hand

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

p) Creditors and provisions

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

q) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

Members of staff are eligible to join a stakeholder pension scheme to which the charity contributes. Contributions are charged to the Statement of Financial Activities for the year in which they relate.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

2 Detailed comparatives for the statement of financial activities

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2023 Total £
Income from:					
Donations and legacies	748,965	–	3,762	–	752,727
Charitable activities:					
Artist development	–	–	29,500	–	29,500
Education	26,295	–	96,928	–	123,223
Digital & Audience engagement	1,402	–	15,700	–	17,102
Music Patron	–	–	120,742	–	120,742
Investments	1,691	–	–	–	1,691
Total income	778,353	–	266,632	–	1,044,986
Expenditure on:					
Raising funds	107,884	–	–	–	107,884
Charitable activities					
Artist development	206,820	101,051	21,000	–	328,871
Education	139,021	84,575	61,590	–	285,186
Digital and Audience engagement	180,851	26,629	56,972	–	264,452
Music Patron	–	–	206,012	–	206,012
Total expenditure	634,575	212,255	345,574	–	1,192,404
Net income / (expenditure) before gains on investments	143,778	(212,255)	(78,942)	–	(147,418)
Net (losses)/gains on investments	(40,064)	–	–	(29,135)	(69,199)
Net (expenditure)/income for the year	103,715	(212,255)	(78,942)	(29,135)	(216,617)
Transfers between funds	(118,557)	164,457	–	(45,900)	–
Net movement in funds	(14,842)	(47,798)	(78,942)	(75,035)	(216,617)
Total funds brought forward	365,797	409,300	205,129	1,197,285	2,177,511
Total funds carried forward	350,955	361,502	126,187	1,122,250	1,960,894

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

3 Income from donations

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Donations	21,030	–	21,030	31,340	3,762	35,102
Grants:			–			–
Arts Council England	435,599	287,963	723,562	717,625	–	717,625
	456,629	287,963	744,592	748,965	3,762	752,727

4 Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Artist development:						
Bliss Trust	–	500	500	–	–	–
Creative Scotland	–	6,750	6,750	–	–	–
Garrick Charitable Trust	–	–	–	–	2,500	2,500
Irving Memorial Trust	–	–	–	–	2,000	2,000
Jerwood Foundation	–	30,000	30,000	–	–	–
Marchus Trust	–	–	–	–	4,500	4,500
Old Possum's Practical Trust	–	–	–	–	5,000	5,000
PRSF Grant	–	–	–	–	14,000	14,000
The Thistle Trust	–	–	–	–	1,500	1,500
Project income	2,271	–	2,271	–	–	–
Sub-total for Artist development	2,271	37,250	39,521	–	29,500	29,500
Education:						
Baron Davenport	–	–	–	–	500	500
Bliss Trust	–	500	500	–	–	–
Boris Karloff Foundation	–	2,000	2,000	–	1,500	1,500
Doris Field Charitable Trust	–	1,000	1,000	–	–	–
Doyle Cart Foundation	–	3,000	3,000	–	–	–
Elizabeth Lake	–	2,500	2,500	–	2,500	2,500
Faber Music	–	10,000	10,000	–	10,000	10,000
Finzi Trust	–	–	–	–	1,500	1,500
John Thaw Foundation	–	500	500	–	500	500
Lochlands Trust	–	–	–	–	6,000	6,000
Lord and Lady Lurgan Trust	–	–	–	–	1,500	1,500
Margaret Engering Music Trust	–	–	–	–	20,000	20,000
Paul Hamlyn Foundation	–	–	–	–	29,000	29,000
Rowley Trust	–	–	–	–	500	500
Samuel Gardner Memorial Fund	–	–	–	–	1,000	1,000
Scops Arts Trust	–	–	–	–	5,000	5,000
The Britford Bridge	–	10,000	10,000	–	–	–
The Sampimon Trust	–	2,000	2,000	–	–	–
Thomas Sivewright Catto	–	750	750	–	500	500
Three Monkeys Trust	–	5,000	5,000	–	10,000	10,000
WEDUNN Charitable Trust	–	–	–	–	500	500
Others	–	7,307	7,307	–	6,428	6,428
Project income	25,979	–	25,979	26,295	–	26,295
Sub-total for Education	25,979	44,557	70,536	26,295	96,928	123,223
Digital and Audience engagement:						
Joseph Boaz	–	–	–	–	500	500
PRS Foundation	–	–	–	–	14,000	14,000
The Joycey Trust	–	–	–	–	1,200	1,200
Project income	1,501	–	1,501	1,402	–	1,402
Sub-total for Digital and Audience engagement	1,501	–	1,501	1,402	15,700	17,102
Music Patron						
Boltini Trust	–	100,000	100,000	–	100,000	100,000
Colin Matthews	–	250	250	–	–	–
Michael Berkeley	–	–	–	–	1,000	1,000
Ralph Kanza	–	20,000	20,000	–	10,000	10,000
Stuart Ritchie	–	–	–	–	3,000	3,000
Other	–	7,991	7,991	–	6,742	6,742
Sub-total for Music Patron	–	128,241	128,241	–	120,742	120,742
Total income from charitable activities	29,751	210,048	239,799	27,697	262,870	290,567

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

5a Analysis of expenditure (current year)

	Charitable activities									
	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Music Patron	Governance costs £	Support costs £	2024 Total £	2023 Total £
Staff costs (Note 7)	83,911	115,837	63,038	122,271	–	61,539	17,471	109,091	573,157	569,355
Direct costs	3,440	84,060	130,401	43,711	–	80,366	–	14,602	356,580	510,064
Grants (note 6)	–	–	–	–	–	–	–	–	–	–
Premises	–	–	–	–	–	–	–	35,684	35,684	31,561
Finance, legal and professional	–	–	–	–	–	–	11,150	1,857	13,007	12,078
Communications	–	–	–	–	–	–	–	1,645	1,645	2,019
Staff recruitment, travel, training and subsistence	–	–	–	–	–	–	43	26,111	26,154	34,964
Depreciation of fixed assets	–	–	–	–	–	–	–	5,456	5,456	5,496
General office and administration	–	–	–	–	–	–	–	21,671	21,671	12,913
Computer maintenance and IT	–	–	–	–	–	–	–	12,980	12,980	13,954
	87,351	199,896	193,439	165,982	–	141,905	28,664	229,096	1,046,333	1,192,405
Support costs	49,924	68,919	37,506	72,747	–	–	–	(229,096)	–	–
Governance costs	6,246	8,623	4,693	9,102	–	–	(28,664)	–	–	–
Total expenditure 2024	143,521	277,438	235,638	247,831	–	141,905	–	0	1,046,333	
Total expenditure 2023	107,884	328,871	285,185	264,452	–	206,013	–	–		1,192,405

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

5b Analysis of expenditure (prior year)

	Charitable activities								
	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Music Patron	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 7)	63,102	115,942	77,997	109,342	–	79,357	18,155	105,460	569,355
Direct costs	1,151	132,762	153,258	79,506	–	126,656	–	16,731	510,064
Grants (note 6)	–	–	–	–	–	–	–	–	–
Premises	–	–	–	–	–	–	–	31,561	31,561
Finance, legal and professional	–	–	–	–	–	–	10,320	1,758	12,078
Communications	–	–	–	–	–	–	–	2,019	2,019
Staff recruitment, travel, training and subsistence	–	–	–	–	–	–	–	34,964	34,964
Depreciation of fixed assets	–	–	–	–	–	–	–	5,496	5,496
General office and administration	–	–	–	–	–	–	–	12,913	12,913
Computer maintenance and IT	–	–	–	–	–	–	–	13,954	13,954
Unrecoverable VAT	–	–	–	–	–	–	–	–	–
	64,253	248,704	231,255	188,848	–	206,013	28,475	224,856	1,192,405
Support costs	38,727	71,156	47,868	67,104	–	–	–	(224,855)	–
Governance costs	4,904	9,011	6,062	8,499	–	–	(28,476)	–	–
Total expenditure 2023	107,884	328,871	285,185	264,451	–	206,013	(1)	1	1,192,404

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024 £	2023 £
Depreciation	5,456	5,496
Operating lease rentals:		
Property	-	-
Auditor's remuneration (excluding VAT):		
Audit – current year	11,150	10,320
Other services – under/(over) accrual in previous year	-	-
Other services – VAT advice	-	-

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	511,324	506,338
Social security costs	43,313	43,185
Employer's contribution to defined contribution pension schemes	18,520	19,831
	573,157	569,354

Salaries and wages include redundancy and ex-gratia payments totalling £14,617 made to 5 employees (2023: £nil).

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024 No.	2023 No.
£60,000 – £69,999	2	1

The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel were £330,456 (2023: £303,100).

Trustee expenses of £43 were made in the year (2023: £nil).

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Charitable activities	14.0	15.0
Raising funds	2.0	3.0
Governance of the charity	1.0	1.0
	17.0	19.0

9 Related party transactions

No payments were made to related parties in 2024 (2023: £nil).

There are no donations (2023: none) from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Office furniture	Equipment & computers £	Total £
Cost			
At the start of the year	5,900	36,418	42,318
Additions in year	–	604	604
Disposals in year	–	(1,210)	(1,210)
At the end of the year	5,900	35,812	41,712
Depreciation			
At the start of the year	1,552	25,663	27,215
Charge for the year	1,180	4,276	5,456
Eliminated on disposal	–	(639)	(639)
Gain on disposal		33	33
At the end of the year	2,732	29,333	32,065
Net book value			
At the end of the year	3,168	6,479	9,647
At the start of the year	4,348	10,755	15,103

All of the above assets are used for charitable purposes.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

11 Tangible fixed assets (continued)

In addition to the capitalised functional fixed assets, the charity also owns "The British Music Collection" comprising a music library of some 30,000 scores, 15,000 recordings and background information on British music written since 1900. It includes both published and commercially recorded and unpublished material, and is held on long term deposit at the University of Huddersfield's Archive Centre, Heritage Quay. The written archives of the founder organisations were also placed on long term deposit at Heritage Quay during 2015–16. These assets have not been included in the balance sheet because, in the opinion of the trustees, the cost of professionally valuing them to include a value in the financial statements would outweigh the benefits to the users of the financial statements.

12 Listed investments

	2024 £	2023 £
Fair value at the start of the year	1,685,401	1,800,500
Additions at cost	–	–
Disposal proceeds	(41,800)	(45,900)
Net (losses) gains on revaluation	130,145	(69,199)
Fair value at the end of the year	1,773,746	1,685,401
Cash held by investment managers for re-investment	–	–
Fair value at the end of the year	1,773,746	1,685,401
Listed investments are represented by:		
UK mutual funds	1,773,746	1,685,401
Cash held for investment managers for reinvestment	–	–
Fair value at the end of the year	1,773,746	1,685,401

13 Debtors

	2024 £	2023 £
Trade debtors	750	100
Other debtors	8,367	6,651
Prepayments	4,015	5,685
VAT	–	–
Accrued income	20,018	99,969
	33,150	112,405

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	38,255	35,429
Accruals	12,701	15,751
Social security	2	2
	50,958	51,182

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

15a Analysis of net assets between funds (current year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	9,647	–	–	–	9,647
Investments	434,294	150,393	–	1,189,058	1,773,745
Net current assets	82,194	27,845	141,150	–	251,189
Net assets at the end of the year	526,135	178,238	141,150	1,189,058	2,034,581
	0	–	0	–	0

15b Analysis of net assets between funds (prior year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	15,103	–	–	–	15,103
Investments	315,720	247,430	–	1,122,250	1,685,400
Net current assets	20,130	114,073	126,187	–	260,390
Net assets at the end of the year	350,955	361,503	126,187	1,122,250	1,960,893

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

16a Movements in funds (current year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment (losses)/ gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,122,250	–	–	108,608	(41,800)	1,189,058
Restricted funds:						
<u>Core Fundraising:</u>						
ACE Transform 1	–	54,406	(54,406)	–	–	–
ACE Transform 2	–	169,156	(142,930)	–	–	26,226
ACE NYMO	–	64,401	(64,328)	–	–	73
	–	287,963	(261,664)	–	–	26,299
<u>Artist development:</u>						
ISCM	–	500	(500)	–	–	–
New Voices	17,500	–	(17,500)	–	9,000	9,000
In Motion	–	36,750	(6,442)	–	–	30,308
	17,500	37,250	(24,442)	–	9,000	39,308
<u>Education</u>						
Summer School	40,428	42,557	(48,201)	–	–	34,784
Fran Hanley fund	12,406	–	–	–	–	12,406
Listen, Imagine, Compose – Primary	16,606	–	(16,606)	–	–	–
Minute of Listening	377	–	(377)	–	–	–
In the Making – General	–	2,000	(450)	–	–	1,550
	69,817	44,557	(65,634)	–	–	48,740
<u>Digital and Audience Engagement :</u>						
Composer/ Curator	9,000	–	–	–	(9,000)	–
British Council	11,516	–	(11,516)	–	–	–
	20,516	–	(11,516)	–	(9,000)	–
<u>Music Patron :</u>						
MP running costs	11,445	128,241	(112,883)	–	–	26,803
MP development costs	4,990	–	(4,990)	–	–	–
	16,435	128,241	(117,873)	–	–	26,803
Other – John Seaton	1,919	–	(1,919)	–	–	–
Total restricted funds	126,187	498,011	(483,048)	–	–	141,150
Unrestricted funds:						
General fund	350,954	491,865	(465,765)	21,537	127,544	526,135
Designated funds:						
Project Completion Reserve						
<u>Artist Development:</u>						
Adopt a Composer	1,600	–	(452)	–	(1,148)	–
Associates	10,000	–	–	–	(10,000)	–
Francis Chagrin Covid19 Composer awards	30,000	–	(5,250)	–	(14,750)	10,000
ISCM	4,000	–	(1,636)	–	(2,364)	–
Networks	12,000	–	(1,354)	–	(646)	10,000
New Voices	138,902	–	(49,583)	–	(76,081)	13,238
In Motion	–	–	–	–	97,000	97,000
<u>Education</u>						
Go compose	30,000	–	–	–	(30,000)	–
Go compose Inspire Days	5,000	–	–	–	(5,000)	–
Minute of Listening	25,000	–	(4,758)	–	(20,242)	–
Summer School	75,000	–	(14,487)	–	(60,513)	–
In the Making: residential	–	–	–	–	25,000	25,000
New Music Labs	10,000	–	–	–	(2,000)	8,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	20,000	–	(20,000)	–	15,000	15,000
Total designated funds	361,502	–	(97,520)	–	(85,744)	178,238
Total unrestricted funds	712,456	491,865	(563,285)	21,537	41,800	704,373
Total funds	1,960,893	989,876	(1,046,333)	130,145	–	2,034,581

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

16b Movements in funds (prior year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,197,285	–	–	(29,135)	(45,900)	1,122,250
Restricted funds:						
<u>Artist Development:</u>						
Francis Chagrin Covid19 Composer awards	–	5,000	(5,000)	–	–	–
New Voices	9,000	24,500	(16,000)	–	–	17,500
Other funds	–	–	–	–	–	–
	9,000	29,500	(21,000)	–	–	17,500
<u>Education:</u>						
Summer School	1,450	67,928	(28,950)	–	–	40,428
Fran Hanly fund	12,406	–	–	–	–	12,406
Listen, Imagine, Compose-Primary	13,780	29,000	(26,174)	–	–	16,606
Minute of Listening	5,000	–	(4,623)	–	–	377
Other funds	–	–	–	–	–	–
	32,636	96,928	(59,747)	–	–	69,817
<u>Digital and Audience Engagement :</u>						
Composer Curator	9,000	15,700	(15,700)	–	–	9,000
British Council	52,788	–	(41,272)	–	–	11,516
	61,788	15,700	(56,972)	–	–	20,516
<u>Music Patron</u>						
MP running costs	39,491	120,742	(148,788)	–	–	11,445
MP development cost	62,214	–	(57,224)	–	–	4,990
	101,705	120,742	(206,012)	–	–	16,435
Other – John Seaton	–	3,762	(1,843)	–	–	1,919
Total restricted funds	205,129	266,632	(345,574)	–	–	126,187
Unrestricted funds:						
General fund	365,797	778,353	(634,575)	(40,064)	(118,557)	350,954
Designated funds:						
Project Completion Reserve						
<u>Artist development:</u>						
Adopt a Composer	2,600	–	(2,600)	–	1,600	1,600
Associates	10,000	–	(3,868)	–	3,868	10,000
Francis Chagrin Covid19 Composer awards	10,000	–	(10,000)	–	30,000	30,000
ISCM	5,000	–	(4,529)	–	3,529	4,000
Networks	10,000	–	(3,272)	–	5,272	12,000
New Voices	169,700	–	(76,782)	–	45,984	138,902
Pathways	–	–	–	–	–	–
Portfolio	–	–	–	–	–	–
<u>Education</u>						
Go compose	10,000	–	(4,194)	–	24,194	30,000
Go compose Inspire Days	5,000	–	–	–	–	5,000
Listen, Imagine, Compose	–	–	–	–	–	–
Minute of Listening	15,000	–	–	–	10,000	25,000
Summer School	100,000	–	(80,381)	–	55,381	75,000
New Music Labs	5,000	–	–	–	5,000	10,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	15,000	–	(15,000)	–	20,000	20,000
Composer /Curator	40,000	–	(11,541)	–	(28,459)	–
Podcast	12,000	–	(88)	–	(11,912)	–
Total designated funds	409,300	–	(212,255)	–	164,457	361,502
Total unrestricted funds	775,097	778,353	(846,830)	(40,064)	45,900	712,456
Total funds	2,177,511	1,044,985	(1,192,404)	(69,199)	–	1,960,893

17 Movements in funds (continued)

Purposes of funds

Linked charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. The trustees of the Arthur A Paul Memorial Fund are required to maintain the capital value of the fund.

Restricted funds

ISCM

Funding from the Bliss Trust to attend the International Society for Contemporary Music event in 2023.

New Voices

New Voices is an 18 month composer development programme funded in part by PRS for Music Foundation, Marchus Trust, The Thistle Trust and Garrick Charitable Trust.

In Motion

New composer development programme replacing New Voices funded by PRS Foundation, Creative Scotland and Jerwood Foundation

Summer School

Funded in part by Arts Council NYMO funding, Faber Music, Margaret Engering Music Trust, Three Monkeys Trust, Scops Arts Trust, Lonchlands Trust, The Britford Bridge, D'oley Carte, Boris Karloff Foundation, other trusts and foundation and individual donors.

Fran Hanley Fund

Donations to a fund supporting young musicians.

Listen, Imagine, Compose – Primary

A project with Birmingham Contemporary Music Group and Birmingham University supporting the teaching of composing in primary schools, supported by the Paul Hamlyn Foundation. Funding comes via BCMG.

Minute of Listening

A donation from the Maria Bjornson Memorial Fund towards the costs of Minute of Listening, an online listening platform for primary school children.

In the Making – General

New programme for young people funded by The Sampimon Trust

British Council

Funding to support the Digital Bridge project with CMMAS in Mexico, supporting UK and Mexico based sound artists to create and share work.

Music Patron

An online platform connecting composers and patrons. Funded by the Boltini Trust, Anthony Bolton, Michael Berkeley, Ralph Kanza, Stuart Richie and Colin Matthews.

Designated funds

Project Completion Reserve. It is in the nature of the charity's activities that projects are committed to in one year but often continue into the following year. The Project Completion Reserve has been established to ensure these commitments can be met.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2024

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2024 £	2023 £
Less than one year	8,923	7,082
One to five years	–	–
	<u>8,923</u>	<u>7,082</u>

The charity had no contingent assets or liabilities at the balance sheet date (2023: none).

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THE ORGANISATION FOR NEW MUSIC AND SOUND

England & Wales - Charity number 1124609

Accounts

Company number: 06581022

Charity Number: 1124609

The Organisation for New Music and Sound

(trading as Sound and Music)

Report and financial statements

For the year ended 31 March 2023

The Organisation for New Music and Sound

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The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2023

Company number 06581022 – incorporated in the United Kingdom

Charity number 1124609 – registered in England and Wales

Other name by which the charity makes itself known Sound and Music

Registered office and operational address Oxford House
Derbyshire Street
London
E2 6HG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Gregory Davies (Chair)
Juan Pablo Barrios Loaiza (resigned September 2022)
Catherine Bunting
Belinda Dee
David Lasserson
Imogen Lawlor
Dennis Lee
Sam Palmer
Joanne Thomas
Alastair Cotterill
Atem Mbeboh

Key management personnel Susanna Eastburn MBE – Chief Executive (until May 2023)
Hannah Bujic – Co-Head of Artist Development
Will Dutta – Co-Head of Artistic Development (until May 2023)
Will Dutta – Chief Executive (from May 2023)
Nuria Rivero – Finance Manager
Victoria Johnson – Head of Digital and Audience Engagement
Sophie Morrison – Head of Development (until August 2022)
Beatrice Hubble – Head of Education
Sonia Stevenson – Head of Music Patron
Alex Wright – Head of Development (from September 2022)

The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2023

Investment Managers	Seven Investment Management Limited 125 Old Broad Street London EC2N 1AR
	Cazenove Investment Management Limited 1 London Wall Place London EC2Y 5AU
Bankers	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Solicitors	Bircham Dyson Bell 50 Broadway London SW1H 0BL
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108–114 Golden Lane London EC1Y 0TL

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

The trustees present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The charity's purposes as set out in the objects contained in the Memorandum and Articles of Association are to:

"Promote and foster the understanding and appreciation of sonic art and music including (but not limited to) new British music."

Its mission is to maximise the opportunities for people of all ages and from all backgrounds to create and enjoy new music.

During the year in question, the organisation was working to an updated version of the business plan for 2017–2022 which was extended to March 2023 because of the connected factors of Covid-19 and its aftermath, and the extension of the Arts Council England funding agreement period to March 2023. The strategic framework of this business plan centred around 3 aims:

- Artist development;
- Public engagement;
- Supporting children and young people to create their own music.

The charity seeks to achieve these aims through activities that include composer and artist development, partnerships with a range of organisations, audience development including a range of digital platforms and services, a live events programme, network building, education, advocacy and campaigning. Sound and Music champions new music and the work of British composers and artists, and seeks to ensure that they are at the heart of cultural life and enjoyed by many.

The Trustees review the aims, objectives and activities of the charity each year, monitoring progress on a quarterly basis. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Public benefit

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

Benefits to the public of Sound and Music's activities include:

- Working to increase the diversity of composers who are benefiting from talent development opportunities and whose work is heard by the public, both through Sound and Music's own programmes; and through campaigning including work around the Fair Access Principles;
- Working in partnership with other organisations to develop composers' talent and professional skills, and to enable new work to be presented publicly;
- Supporting more composers, listeners and young people to access new music, especially in areas of low provision and engagement, including through Sound and Music's Composer-Curator live events programme;
- Supporting composers to develop new skills, networks and the capabilities necessary to thrive in a new music career;
- Education work nationally both in and out of schools (including Sound and Music's acclaimed Summer School for composers aged 14–18, the only activity of its kind in the UK);
- Proactively working to improve the public's access to and discovery of a wide range of new music and composers;
- Online access to a vast range of resources, from national collections of music scores and recordings to blogs, opportunities for composers, toolkits, research and evaluation;
- Disseminating information about new music, in the form of e-newsletters, information about upcoming events, social media and public events;
- Extensive and constantly evolving curated creative content via digital platforms;
- Access to the British Music Collection, 30,000 20th and 21st century music scores located in Heritage Quay, the state-of-the-art archive centre at the University of Huddersfield, and also catalogued online alongside a wealth of content including AV footage, recordings, curated content, photographs and interviews.

Sound and Music is a national and international organisation that seeks to reach all those with an interest in new music in the UK, as well as to diversify the people engaging with it.

Achievements and performance

2022–23 saw several significant changes for Sound and Music; however it is a testimony to the Board and staff of Sound and Music that these changes were addressed positively and productively, even while the organisation continued to deliver a significant level of activity to an exceptionally high standard, impacting the lives of hundreds of artists and young people.

2022–23 was the final year of Sound and Music's business plan and objectives agreed by the Trustees in January 2018 and included by Arts Council England in its National Portfolio

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

Organisation funding agreement for the period (which was extended to March 2023). Significant and measurable progress was made during the year against the objectives of this business plan. Alongside this, much work went into planning and preparing for the coming three years, including applying to Arts Council England's National Portfolio Organisation (NPO) programme. This application was successful, although with a grant offer reduced by 31%; a reduction taking place in the context of the requirement of ACE to move money out of London and away from larger organisations. The decision was communicated by ACE in November 2022, so the latter part of the financial year included intense collaborative work from the team to develop a new programme offer for 2023–24 and beyond that will streamline and reconfigure the future planned activity of the organisation. A revised programme of activity was submitted to ACE in January 2023 and accepted with a signed funding agreement now in place. In addition, Sound and Music also successfully applied to ACE's Transform programme, which will bring the organisation additional funding over the coming years worth 75% of the reduction in grant level.

2022–23 saw another major change announced, which was the news that Susanna Eastburn MBE, Chief Executive since September 2012, will be moving on from the organisation in May 2023. The Board, under the leadership of Greg Davies, undertook a competitive external recruitment process during the financial year which was concluded in May 2023, when the appointment of Will Dutta was announced.

In terms of activity delivered, objectives and monitoring data were collated and reviewed quarterly by SMT and the Board in order to measure and evaluate progress. Highlights and achievements during the year included:

Artist development

In total 65 composers (working across a wide range of genres, and from across the UK) were supported during the year (compared to 78 in 2021–22, and 74 in 2020–21). Maintaining a significant breadth and depth of support remains an important commitment for the organisation in a socio-economic context which is hugely challenging for freelance artists, and careful thought is being given as to how this can be maintained in the future. Composers were supported through a mix of programmes including New Voices (and its associated Seed Awards), the Composer–Curator programme, Adopt A Music Creator and the Francis Chagrin Awards. The latter continue to evolve as a responsive, flexible cycle of awards including calls specifically targeted at women, minority gender and disabled composers, and (in February 2023) for the first time, calls specifically targeted at composers aged 18–25.

Selected applicant data demonstrates Sound and Music's progress in selecting composers from Black, Asian and ethnically diverse backgrounds (43%); who are D/deaf or disabled (32%); minority gender (16%) and who identify as women (65%). 57% of selected composers were based outside London, and 54% of them were working with the organisation for the very first time.

The Fair Access Principles signatories continued to increase, with 33 partners now signed up. An online Fair Access Principles Assembly was convened in March 2023, drawing together signatories

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

and other stakeholders, with a particular focus on composers aged 18–25 and including contributions from Youth Music.

Nine Composer Socials were delivered in five areas (Birmingham, Kirklees, Liverpool, South Somerset and Sunderland) reaching 165 composers. Feedback from these has been overwhelmingly positive including the huge value that participants found in building their networks and communities, addressing shared challenges and overcoming feelings of isolation.

Audience Engagement

Composer–Curator saw a broad range of live events delivered in Sunderland and Hull (in partnership with Sunderland Culture and Back to Ours) working with 6 artists who curated and produced events that were relevant and responsive to local audiences.

All of Sound and Music's online platforms continued to perform strongly and exceed reach and engagement targets. Overall, the organisation reached over 170,000 unique users online across its various platforms. Key to this success was the continuation of strong curation across the platforms, including bespoke editorial commissioning and calls that focussed on particular communities including LGBTQI+ and Black composers. Minute of Listening continued to perform well with around 3,000 unique users every quarter. Minute of Listening was also supported by CPD and engagement activities including a partnership project with Tower Hamlets Arts and Music Education Service (THAMES) supporting primary children to create their own minutes.

Supporting children and young people to create their own music

The 2022 Summer School was attended by 55 young people in person under careful Covid restrictions. For this reason numbers were lower than pre-pandemic but for those who attended this residential week, this was a transformational opportunity to create music alongside their peers.

Overall, Sound and Music's education work benefited 523 young people, of whom 66% were girls, 29% from backgrounds that experience racism; 11% D/deaf and disabled or neurodivergent.

Sound and Music continued its Listen Imagine Compose programme which supports teachers to develop confidence and skills in teaching composing, and (thanks to funding from the Paul Hamlyn Foundation via Birmingham Contemporary Music Group) this extended into primary schools in Bristol and the West Midlands where 540 young people benefited.

Music Patron

The Music Patron project (funded by the Boltini Trust) continued to develop at pace, with a new branding and website enabling nine composers to receive funding from over 40 patrons by the end of the financial year.

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

Financial review: Overview

Sound and Music's total income for the year was £1,044,985 (2021–22: £1,215,354), of which £717,625 (2021–22: £717,625) was represented by the core grant from Arts Council England. Income from projects and fundraising was £290,567 (2021–22: £407,095). Income from other core grants and donations was £35,102 (2021–22: £90,570), and investment income and other activities totalled £1,691 (2021–22: £63).

The organisation expended £1,192,404 (2021–22: £1,014,999).

General funds

Following transfers between funds and movements in investments, the net decrease in unrestricted general funds was £14,843.

Designation of funds

It is in the nature of the charity's activities that projects are budgeted in one particular year, but may only complete in the following year, with expenditure partly falling into the following year. The Board agrees in these cases to designate funds in order to secure the project delivery.

At 31st March 2022, the Project Completion Reserve held £409,300 in respect of projects which were originally budgeted for 2021–22 but in respect of which the expenditure was completed in 2023. The amount held at 31 March 2023 (£361,502) are funds designated for the completion of a number of projects that were committed to and started in the 2022–23 financial year but with delivery also taking place in 2023–24.

Balance on general funds

Retained general funds carried forward at 31 March 2023 amount to £350,954 compared with £365,797 at 31 March 2022.

Restricted funds

At 31 March 2023 there were restricted funds relating to projects of £126,187 (2022: £205,129).

Arthur A Paul Memorial Fund – Linked Charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the Trustees of Sound and Music. Trustees of the AA Paul Memorial Fund are the same as Trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. According to the conditions of the Trust Deed governing the transferral of the Fund to Sound and Music, Trustees must seek in the long term to preserve the value of the capital of the Fund having regard to inflation.

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For the year ended 31 March 2023

The Fund's long term objective is to support, in perpetuity, the charitable activities of Sound and Music. It is invested therefore according to an agreed and annually reviewed Investment Policy Statement which seeks to protect the capital value of the fund whilst generating a sustainable level of financial return.

In accordance with the Investment Policy and the agreed formula within it for quarterly calculation of funds to be transferred, The Arthur A Paul Trustees agreed to transfer £45,900 over the year to the charitable activities of Sound and Music to support activities promoting the presentation of original work by emerging composers, musicians and artists, in accordance with the terms of the Trust Deed.

Investment Policy Statement

AA Paul Trustees have an approved Investment Policy Statement. This brings together all of the considerations that are relevant to the management of the AA Paul Memorial Fund portfolio in one place. Any investment managers appointed to manage the assets of the Fund must follow the requirements of the Investment Policy Statement.

The Investment Policy Statement is reviewed annually by the AA Paul Trustees to ensure that it continues to describe accurately the objectives, constraints and other requirements of the Fund.

The Trustees of the Arthur A Paul Memorial Fund are bound to promote the best long-term interests of the Charity and to make adequate provision for both the present and future funding needs of the Charity. The Fund's long-term objective is to support, in perpetuity, the charitable activities of Sound and Music. To do this, the Investment Policy Statement includes an agreed approach to balancing the need to achieve a financial return sufficient to achieve the Charity's funding objectives, whilst endeavouring to maintain the purchasing power of the Fund's assets and the returns arising after taking into account the effects of inflation.

The Fund's assets are invested in accordance with the requirements of the Trustee Act 2000, Sound and Music's Articles of Association, and Charity Commission requirements. Trustee investment policy decisions are therefore to be made:

- within the scope of the powers of investment available to the Trustees;
- in accordance with the duties in section 4 of the Trustee Act 2000 including consideration of the suitability of investments and of diversification;
- through the adoption of investment strategies agreed by the Trustees and contained within the Investment Policy Statement.

In addition, the Trustees require any investment manager to whom they delegate discretionary powers to exercise their delegated powers only within the guidelines contained in the Investment Policy Statement.

Principal risks and uncertainties

The Board reviews and assesses the risks – strategic, operational and compliance – to which the organisation is exposed at every Board meeting, with the finance sub-committee conducting a prior scrutiny. It holds this information as a Risk Assessment and agrees actions to limit and mitigate risks identified.

The Trustees ensure that the management of risk is ongoing and embedded in management and operational procedures. Risk assessment and management is undertaken under the following areas:

- Governance;
- Operational;
- External factors;
- Compliance with laws and regulations;
- Human resources;
- Environmental;
- Technology, and
- Financial.

The major risks to which the charity is exposed, as identified by the Trustees, are reviewed at least quarterly and systems have been established to mitigate those risks as far as possible. Principal risks in 2022–23 were around income generation (particularly in the light of the NPO funding decision); change of leadership; staff capacity (which remains stretched) and organisational uncertainty more generally, as the programme will move to a new delivery model that is not yet implemented, under a new Chief Executive. This uncertainty has also raised risks around staff wellbeing.

Risks around income generation are mitigated as far as possible through a development strategy that includes clear and timed income targets; an ongoing programme of research into new income potential; engaging the wider team and the Board in supporting income generation; exploring new income sources including around earned income; balancing (and monitoring closely) expenditure commitments against funding secured or likely; ensuring that the programme is scalable wherever possible; developing strong and distinctive cases for support.

Risks around change of leadership, the new programme, team capacity and wellbeing are mitigated through a mix of SMT and Trustee communication, and drawing in external coaching and wellbeing support, which is being implemented in the early part of 2023–24. In addition, as the organisation explores its new programme delivery model and how to transition to it, and as a new CEO takes up office in May 2023, the organisation is consciously reducing its delivery level over the summer of 2023, to allow the team time to plan for the future and for the new CEO to find their feet.

Reserves policy

Sound and Music's reserves policy is that the organisation shall seek to maintain general fund reserves equal to six months operating expenditure. As at 31 March 2023, therefore, the target amount of general fund reserves is £310,433 which would enable Sound and Music to meet its operating costs and contractual commitments for six months in the event of having to wind up the charity. The current level of general fund reserves held (at 31 March 2023) is £350,954, which is above the target level.

Going concern

Sound and Music has Arts Council National Portfolio Organisation funding committed until March 2026, at a lower level than the funding period that ended in March 2023 but with Transform funding bridging 75% of the gap.

At time of signing (September 2023) the combination of confirmed NPO funding until March 2026, and reserves at above target level, means that Trustees foresee no material uncertainties about the charity's ability to continue as a going concern for the twelve months from the signing of these accounts.

The Board will continue to review and sign off updated income and expenditure forecasts at least quarterly, with significant decisions being brought to them between meetings as necessary.

Plans for the future

2023–24 will be an exciting year of transition for Sound and Music. At time of writing, Will Dutta has been appointed Chief Executive, taking up office in May 2023. Under their leadership, the organisation will continue to evolve and develop and new plans will emerge. That said, the Board of Sound and Music are keen to build on the strengths of the organisation to date, as well as to deliver the programme of activity outlined in the NPO activity plan.

Plans include streamlining the programme to think more holistically about composers' lifecycles and the support needed at different periods, from education to starting out on a career and beyond. A new feature of the streamlined programme will be the connected principles of "paying it forwards" and progression. These will see a more coherent approach to progression pathways through and across our programmes, and opportunities for composers to "pay it forwards" by contributing in other ways to the programme (for example through mentoring, or leading a session at the Summer School) – creating more connections, role models, pathways and opportunities to learn and share across different career stages.

Structure, Governance and Management

Sound and Music is a registered charity and a company limited by guarantee. Sound and Music was incorporated on 30 April 2008 and registered as a charity on 20 June 2008. Sound and Music

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Sound and Music has one standing sub-committee: a Finance Sub-Committee.

The Board met formally four times in the period. Formal meetings of the Sound and Music Board are normally attended by the Chief Executive, Executive Administrator and other members of the senior management team as required. The Board also regularly met outside formal Board meetings to plan and oversee CEO recruitment, and to support the organisation through change.

Appointment of trustees

The Articles of Association lay out the methods by which Trustees are elected and re-elected, the length of terms, and the maximum length of service. Sound and Music shall have at least 3 but no more than 12 Trustees. At each annual general meeting one quarter of the Trustees, being those longest in office, shall retire from office and offer themselves for re-election.

Sound and Music recruits new Trustees against a Trustee Brief which includes details of any specialist skills or expertise being sought, and, wherever practical, recruits via open advertisement through a number of channels.

Trustee induction and training

New Trustees receive a Welcome Pack which includes:

- A Trustee Handbook
- Past Board papers
- Previous audited accounts and Annual Report
- Business plan
- Details of other Trustees
- Current business plan

In addition, they have at least one meeting with the Chair. Potential Trustees are invited to observe a meeting before election at the subsequent meeting. New Trustees are also assigned another Board member (apart from the Chair) as a 'board buddy' to assist with any questions the new trustee may have. Training is available to all Board members.

Related parties and relationships with other organisations

Sound and Music keeps a Conflict of Interest register which is reviewed quarterly by Trustees as a standing agenda item at Board meetings. If a conflict of interest arises, then the conflicted individual takes no part in the discussion and at the judgement of the Chair (or Vice Chair, if it concerns the Chair) may be asked to leave the room.

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

Details of payments to trustees are shown in note 10 of the accounts.

As noted above, Trustees of Sound and Music automatically are elected as Trustees of the linked charity, the Arthur A Paul Memorial Fund.

Finance Sub-Committee

The Finance Sub-Committee's remit is to focus in detail on the financial planning and management of Sound and Music, the investment of its assets, the audit process and the identification and control of risk. It meets four to five times a year and reports at each subsequent Board meeting to the full Board on its business. During the year in question, the Finance Sub-Committee was chaired by Sam Palmer. Other members were Greg Davies and Belinda Dee. Imogen Lawlor and Atem Mbeboh observed and then joined the Finance Subcommittee during the year.

The Finance Sub-Committee's financial purpose is to: support the effective financial management of Sound and Music; advise and shape Sound and Music's approach to financial planning and monitoring; ensure high standards are achieved in this area of Sound and Music's work; seek to maximise Sound and Music's income and control expenditure and maximise the use of Sound and Music's financial assets; ensure a stable and realistic approach to managing Sound and Music's finances to allow the organisation to undertake its charitable objects in the short, medium and long term.

The Finance Sub-Committee's audit purpose is: to make recommendations to the Board about the appointment of auditors, their contract and remuneration, to review material to be submitted to the auditor and to work in detail with the Chief Executive, Finance Manager and auditors through the process, updating the Board as it proceeds.

The Finance Sub-Committee's risk purpose is to: make regular reviews of the risks to which the organisation is susceptible, report on this to the full Board and to monitor actions in place to control these risks.

Fundraising practice

As a charity, fundraising is an important aspect of Sound and Music and the organisation raises funds through applications to trusts and foundations; through individual donations; through grants from public bodies (including the Arts Council annual National Portfolio Organisation grant) and through earned income.

Sound and Music does not use external professional fundraisers, commercial participators or other third parties in fundraising. The organisation is fully compliant with all relevant and applicable codes and has received no complaints in the year. Individual giving campaigns are designed to protect vulnerable people through a number of measures including full compliance with GDPR legislation (in other words, consent has been given for the charity to be in contact); not employing telemarketers or other third parties to engage in telephone fundraising; and ensuring that any

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

individual giving campaigns are supplied with sufficient information, and are designed to ensure a clear choice and decision on the part of the donor without time pressure being applied.

Remuneration policy

Sound and Music has a remuneration policy which is reviewed and agreed annually.

All roles are recruited within a salary range which is agreed by Trustees. This range is set through consideration of the following factors:

- Comparison with similar roles in the cultural and charity sectors, and other sectors if relevant to filling the role with appropriate qualified staff;
- Sound and Music's business plan and the requirements of its implementation;
- Sound and Music's ability to pay, including:
 - The value created by these roles, both financial and against agreed KPIs
 - The cost to Sound and Music of increasing remuneration levels
 - The organisation's performance against income generation targets

All roles, including paid internships, offer at least the London Living Wage.

Sound and Music also invests in its staff through training and personal development. All members of staff are required to undertake a personal and professional development plan which is reviewed and agreed biannually.

All permanent posts are advertised through open recruitment and the salary range is included in the application pack. Salary ranges are consistent across the same job roles held by different members of staff. Level of pay within this range at the point of contract is determined by factors which include:

- level and relevance of past experience;
- assessment of competencies and training needs.

If an individual is recruited who has the potential but not yet the experience or skill to fill the requirements of the post, then a lower salary than the advertised range may be offered with an agreed package of training and professional development, together with a review point. Salaries are reviewed annually in line with budget setting and signed off as part of the budget approval process. Pay increases outside this cycle are not offered.

Pay increases are awarded against the factors outlined in Section (2) above, together with consideration of the CPIH measure.

Sound and Music takes a 'whole staff' approach to salary reviews rather than basing it on assessment of individual performance. All staff members are expected to deliver their roles to the best of their abilities and are supported to do so through performance management as well as

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

their professional development plans. Pay increases will typically be a percentage increase on all staff member's current salary levels. Exceptions to this are rare.

Trustees are ultimately responsible for setting remuneration levels for Sound and Music's staff, advised by the Chief Executive.

The Remuneration Policy is reviewed annually by the Trustees and made available through the Staff Handbook and on the Sound and Music website.

Policy for employment of disabled persons

Sound and Music has an annually reviewed Diversity, Equality and Inclusion Policy which includes the following provision for disabled persons:

Sound and Music will make genuine efforts to recruit disabled people and take reasonable steps to make the workplace and individual jobs accessible to disabled people.

Sound and Music will regularly review its facilities for disabled employees, Trustees and volunteers and will try to overcome any problems faced wherever practicable and within reasonable resources available.

Sound and Music will ensure that people have maximum access to employment opportunities and to meetings and events, regardless of any disability.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Organisation for New Music and Sound for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2023

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 11 (2022: 11). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The trustees' annual report has been approved by the Trustees on 20 September 2023 and signed on their behalf by

Greg Davies
Chair

Independent auditor's report

To the members of

The Organisation for New Music and Sound

Independent auditor's report to the members of The Organisation for New Music and Sound

Opinion

We have audited the financial statements of The Organisation for New Music and Sound (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, 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 charitable company's affairs as at 31 March 2023 and of its 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
- 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 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 Organisation for New Music and Sound'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.

Independent auditor's report

To the members of

The Organisation for New Music and Sound

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's 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.

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

The Organisation for New Music and Sound

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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

The Organisation for New Music and Sound

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Judith Miller (Senior statutory auditor)

Date: 10 October 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Organisation for New Music and Sound

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2023 Total £	2022 Total £
Income from:							
Donations	3	748,965	–	3,762	–	752,727	808,195
Charitable activities	4					–	
Artist development		–	–	29,500	–	29,500	29,613
Education		26,295	–	96,928	–	123,223	135,454
Digital and Audience engagement		1,402	–	15,700	–	17,102	62,028
Music Patron		–	–	120,742	–	120,742	180,000
Investments		1,691	–	–	–	1,691	63
Total income		778,353	–	266,632	–	1,044,985	1,215,354
Expenditure on:							
Raising funds		107,884	–	–	–	107,884	50,404
Charitable activities						–	
Artist development		206,820	101,051	21,000	–	328,871	371,889
Education		139,021	84,575	61,590	–	285,185	284,749
Digital and Audience engagement		180,851	26,629	56,972	–	264,452	207,101
Music Patron		–	–	206,012	–	206,012	100,857
Total expenditure	5a	634,576	212,255	345,574	–	1,192,404	1,014,999
Net (expenditure) before net gains on investments		143,777	(212,255)	(78,942)	–	(147,419)	200,354
Net (losses)/gains on investments		(40,064)	–	–	(29,135)	(69,199)	80,202
Net (expenditure)/income for the year	6	103,713	(212,255)	(78,942)	(29,135)	(216,618)	280,557
Transfers between funds		(118,557)	164,457	–	(45,900)	–	–
Net movement in funds		(14,844)	(47,798)	(78,942)	(75,035)	(216,618)	280,557
Reconciliation of funds:							
Total funds brought forward		365,797	409,300	205,129	1,197,285	2,177,511	1,896,954
Total funds carried forward	17	350,954	361,502	126,187	1,122,250	1,960,893	2,177,511

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

The Organisation for New Music and Sound

Balance sheet

Company no. 06581022

As at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	11		15,103		13,681
Investments	12		1,685,400		1,800,500
			<u>1,700,503</u>		<u>1,814,181</u>
Current assets:					
Debtors	13	112,405		111,038	
Cash at bank and in hand		199,167		318,436	
			<u>311,572</u>	<u>429,474</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(51,182)		(66,144)	
				<u></u>	
Net current assets			<u>260,390</u>		<u>363,330</u>
Total net assets	15a		<u><u>1,960,893</u></u>		<u><u>2,177,511</u></u>
The funds of the charity:	16a				
Restricted income funds			126,187		205,129
Unrestricted income funds:					
Designated funds		361,502		409,300	
General funds		350,954		365,797	
			<u>712,456</u>	<u></u>	<u>775,097</u>
Total funds – Sound and Music			<u>838,643</u>		<u>980,226</u>
Linked charity unrestricted funds:					
Arthur A Paul Memorial Fund			1,122,250		1,197,285
Total funds			<u><u>1,960,893</u></u>		<u><u>2,177,511</u></u>

Approved by the trustees on 20 September 2023 and signed on their behalf by

Greg Davies
Chair

The Organisation for New Music and Sound

Statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
Net income for the reporting period (as per the statement of financial activities)		(216,618)		280,557	
Depreciation charges		5,496		1,635	
Depreciation charges eliminated on disposal		–		(4,544)	
Losses/(Gains) on investments		69,199		(80,202)	
Dividends, interest and rent from investments		(1,691)		(63)	
Decrease / (Increase) in debtors		(1,367)		(80,639)	
Increase / (decrease) in creditors		(14,961)		15,970	
Net cash provided by / (used in) operating activities		(159,943)		132,713	
Cash flows from investing activities:					
Dividends, interest and rents from investments		1,692		63	
Purchase of fixed assets		(6,918)		(11,991)	
Disposals of fixed assets		–		5,443	
Purchase of investments		–		(175,000)	
Proceeds from sale of investments		45,900		56,400	
Net cash (used in) investing activities		40,674		(125,085)	
Change in cash and cash equivalents in the year		(119,269)		7,628	
Cash and cash equivalents at the beginning of the year		318,436		310,808	
Cash and cash equivalents at the end of the year		199,167		318,436	

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies

a) Statutory information

The Organisation for New Music and Sound is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is Oxford House, Derbyshire Street, Bethnal Green, London, EC2 6HG

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

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

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from charitable activities is received principally by way of grants and are included in full in the Statement of Financial Activities. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the income.

f) Investment income and interest receivable

Investment income and bank interest receivable is fully accrued at the balance sheet date.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

The Arthur A Paul Memorial Fund is a linked charity, comprised mainly of an endowment fund. Endowment funds comprise expendable endowment capital, over which the trustees have a power of discretion to convert into income. The investment income is therefore credited directly to the endowment fund.

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised on an accruals basis 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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose;
- Expenditure on charitable activities includes the costs of delivering its activities and programmes undertaken to further the purposes of the charity and their associated support costs. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them;
- Other expenditure represents those items not falling into any other heading.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff costs, on the amount attributable to each activity:

● Cost of raising funds	17%
● Artist development	32%
● Education	21%
● Digital and Audience engagement	30%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office furniture	5 years
● Equipment and computers	3 years

1 Accounting policies (continued)

l) Heritage assets

Heritage assets comprise the British Music collection that comprises a library of British music written since 1900. These items are not included on the balance sheet because in the opinion of the trustees the cost of professionally valuing them would outweigh the benefits to the users of the financial statements.

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) Cash at bank and in hand

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

p) Creditors and provisions

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

q) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

Members of staff are eligible to join a stakeholder pension scheme to which the charity contributes. Contributions are charged to the Statement of Financial Activities for the year in which they relate.

2 Detailed comparatives for the statement of financial activities

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2022 Total £
Income from:					
Donations and legacies	808,195	–	–	–	808,195
Charitable activities:					
Artist development	1,655	–	27,958	–	29,613
Education	37,539	–	97,915	–	135,454
Digital & Audience engagement	240	–	61,788	–	62,028
Music Patron	–	–	180,000	–	180,000
Investments	63	–	–	–	63
Total income	847,692	–	367,661	–	1,215,354
Expenditure on:					
Raising funds	50,404	–	–	–	50,404
Charitable activities					
Artist development	265,951	61,980	43,958	–	371,889
Education	155,499	26,523	102,727	–	284,749
Digital and Audience engagement	159,932	42,169	5,000	–	207,101
Music Patron	–	–	100,857	–	100,857
Total expenditure	631,785	130,672	252,542	–	1,014,999
Net income / (expenditure) before gains on investments	215,907	(130,672)	115,119	–	200,355
Net gains on investments	(10,735)	–	–	90,937	80,202
Net (expenditure)/income for the year	205,173	(130,672)	115,119	90,937	280,557
Transfers between funds	(161,622)	218,022	–	(56,400)	–
Net movement in funds	43,551	87,350	115,119	34,537	280,557
Total funds brought forward	322,246	321,950	90,010	1,162,748	1,896,954
Total funds carried forward	365,797	409,300	205,129	1,197,285	2,177,511

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2023

3 Income from donations

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations	31,340	3,762	35,102	2,396	–	2,396
Grants:			–			
Arts Council England	717,625	–	717,625	717,625	–	717,625
Other Public Funding	–	–	–	88,174	–	88,174
	748,965	3,762	752,727	808,195	–	808,195

4 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Artist development:						
Anthony & Elizabeth Mellows	–	–	–	–	2,500	2,500
Garfield Weston Foundation	–	–	–	–	10,000	10,000
Garrick Charitable Trust	–	2,500	2,500	–	–	–
Irving Memorial Trust	–	2,000	2,000	–	–	–
Marchus Trust	–	4,500	4,500	–	–	–
Old Possum's Practical Trust	–	5,000	5,000	–	5,000	5,000
PRSF Grant	–	14,000	14,000	–	9,000	9,000
The Thistle Trust	–	1,500	1,500	–	–	–
Others	–	–	–	–	3,958	3,958
Project income	–	–	–	1,655	–	1,655
Sub-total for Artist development	–	29,500	29,500	1,655	30,458	32,113
Education:						
Baron Davenport	–	500	500	–	–	–
Bliss Trust	–	–	–	–	250	250
Boris Karloff Foundation	–	1,500	1,500	–	1,500	1,500
Derek Hill Foundation	–	–	–	–	2,500	2,500
Elizabeth Lake	–	2,500	2,500	–	–	–
Faber Music	–	10,000	10,000	–	10,000	10,000
Finzi Trust	–	1,500	1,500	–	500	500
Fran Hanley Fund	–	–	–	–	9,958	9,958
John Thaw Foundation	–	500	500	–	–	–
Lochlands Trust	–	6,000	6,000	–	3,000	3,000
Lord and Lady Lurgan Trust	–	1,500	1,500	–	–	–
Margaret Engering Music Trust	–	20,000	20,000	–	7,000	7,000
Michael Cornish Charitable Trust	–	–	–	–	1,000	1,000
Rowley Trust	–	500	500	–	–	–
Samuel Gardner Memorial Fund	–	1,000	1,000	–	750	750
Scops Arts Trust	–	5,000	5,000	–	10,000	10,000
Thomas Sivewright Catto	–	500	500	–	500	500
Three Monkeys Trust	–	10,000	10,000	–	5,000	5,000
Paul Hamlyn Foundation	–	29,000	29,000	–	29,000	29,000
Maria Bjornson Memorial Fund	–	–	–	–	5,000	5,000
Aspinwall Educational Trust	–	–	–	–	1,000	1,000
Nineveh Trust	–	–	–	–	2,500	2,500
WEDUNN Charitable Trust	–	500	500	–	–	–
Others	–	6,428	6,428	–	8,457	8,457
Project income	26,295	–	26,295	37,539	–	37,539
Sub-total for Education	26,295	96,928	123,223	37,539	97,915	135,454

Notes to the financial statements

For the year ended 31 March 2023

4 Income from charitable activities (continued)

Digital and Audience engagement:

Joseph Boaz	-	500	500	-	-	-
PRS Foundation	-	14,000	14,000	-	9,000	9,000
The Joycey Trust	-	1,200	1,200	-	-	-
British Council	-	-	-	-	52,788	52,788
Project income	1,402	-	1,402	240	-	240
Sub-total for Digital and Audience engagement	<u>1,402</u>	<u>15,700</u>	<u>17,102</u>	<u>240</u>	<u>61,788</u>	<u>62,028</u>

Music Patron

Boltini Trust	-	100,000	100,000	-	100,000	100,000
Anthony Bolton	-	-	-	-	80,000	80,000
Michael Berkeley	-	1,000	1,000	-	-	-
Ralph Kanza	-	10,000	10,000	-	-	-
Stuart Ritchie	-	3,000	3,000	-	-	-
Other	-	6,742	6,742	-	-	-
Sub-total for Music Patron	-	<u>120,742</u>	<u>120,742</u>	-	<u>180,000</u>	<u>180,000</u>
Total income from charitable activities	<u>27,697</u>	<u>262,870</u>	<u>290,567</u>	<u>39,434</u>	<u>370,161</u>	<u>409,595</u>

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2023

5a Analysis of expenditure (current year)

	Charitable activities								2023	2022
	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Music Patron	Governance costs £	Support costs £	Total £	Total £
Staff costs (Note 7)	63,102	115,942	77,997	109,342	-	79,357	18,155	105,460	569,355	530,878
Direct costs	1,151	132,762	153,258	79,506	-	126,656	-	16,731	510,064	389,011
Grants (note 6)	-	-	-	-	-	-	-	-	-	-
Premises	-	-	-	-	-	-	-	31,561	31,561	28,939
Finance, legal and professional	-	-	-	-	-	-	10,320	1,758	12,078	12,969
Communications	-	-	-	-	-	-	-	2,019	2,019	2,301
Staff recruitment, travel, training and subsistence	-	-	-	-	-	-	-	34,964	34,964	15,089
Depreciation of fixed assets	-	-	-	-	-	-	-	5,496	5,496	1,635
General office and administration	-	-	-	-	-	-	-	12,913	12,913	5,566
Computer maintenance and IT	-	-	-	-	-	-	-	13,954	13,954	12,687
Unrecoverable VAT	-	-	-	-	-	-	-	-	-	15,924
	64,253	248,704	231,255	188,848	-	206,013	28,475	224,856	1,192,404	1,014,999
Support costs	38,727	71,156	47,868	67,106	-	-	-	(224,857)	-	-
Governance costs	4,904	9,011	6,062	8,498	-	-	(28,475)	-	-	-
Total expenditure 2023	107,884	328,871	285,185	264,452	-	206,013	-	(1)	1,192,404	
Total expenditure 2022	50,404	371,889	284,749	207,101	-	100,857	-	-		1,014,999

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2023

5b Analysis of expenditure (prior year)

Charitable activities

	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Music Patron	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 7)	28,105	149,827	92,829	95,426	-	48,870	16,094	99,728	530,878
Direct costs	2,567	124,545	131,501	49,565	-	51,987	-	28,846	389,011
Grants (note 6)	-	-	-	-	-	-	-	-	-
Premises	-	-	-	-	-	-	-	28,939	28,939
Finance, legal and professional	1,440	-	-	-	-	-	9,450	2,079	12,969
Communications	-	-	-	-	-	-	-	2,301	2,301
Staff recruitment, travel, training and subsistence	-	-	-	-	-	-	-	15,089	15,089
Depreciation of fixed assets	-	-	-	-	-	-	-	1,635	1,635
General office and administration	-	-	-	-	-	-	-	5,566	5,566
Computer maintenance and IT	-	-	-	-	-	-	-	12,687	12,687
Unrecoverable VAT	-	-	-	-	-	-	-	15,924	15,924
	32,112	274,372	224,330	144,991	-	100,857	25,544	212,794	1,014,999
Support costs	16,332	87,066	53,944	55,452	-	-	-	(212,794)	-
Governance costs	1,960	10,451	6,475	6,658	-	-	(25,544)	-	-
Total expenditure 2022	50,404	371,889	284,749	207,101	-	100,857	-		1,014,999

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2023

6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	5,496	1,635
Operating lease rentals:		
Property	-	-
Auditor's remuneration (excluding VAT):		
Audit – current year	10,320	7,875
Other services – under/(over) accrual in previous year	-	1,200
Other services – VAT advice	-	-

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	506,338	473,903
Social security costs	43,185	37,875
Employer's contribution to defined contribution pension schemes	19,831	19,101
	569,354	530,879

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,000 –£69,999	1	1

The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel were £303,100 (2022: £297,388).

No claims for trustee expenses were made in the year (2022: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Charitable activities	15.0	16.0
Raising funds	3.0	2.0
Governance of the charity	1.0	1.0
	<u>19.0</u>	<u>19.0</u>

9 Related party transactions

No payments were made to related parties in 2023 (2022: £nil).

There are no donations (2022: none) from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Office furniture	Equipment & computers £	Total £
Cost			
At the start of the year	2,800	32,600	35,400
Additions in year	3,100	3,818	6,918
Disposals in year	–	–	–
At the end of the year	<u>5,900</u>	<u>36,418</u>	<u>42,318</u>
Depreciation			
At the start of the year	424	21,295	21,719
Charge for the year	1,128	4,368	5,496
Eliminated on disposal	–	–	–
At the end of the year	<u>1,552</u>	<u>25,663</u>	<u>27,215</u>
Net book value			
At the end of the year	<u>4,348</u>	<u>10,755</u>	<u>15,103</u>
At the start of the year	<u>2,376</u>	<u>11,305</u>	<u>13,681</u>

All of the above assets are used for charitable purposes.

11 Tangible fixed assets (continued)

In addition to the capitalised functional fixed assets, the charity also owns "The British Music Collection" comprising a music library of some 30,000 scores, 15,000 recordings and background information on British music written since 1900. It includes both published and commercially recorded and unpublished material, and is held on long term deposit at the University of Huddersfield's Archive Centre, Heritage Quay. The written archives of the founder organisations were also placed on long term deposit at Heritage Quay during 2015–16. These assets have not been included in the balance sheet because, in the opinion of the trustees, the cost of professionally valuing them to include a value in the financial statements would outweigh the benefits to the users of the financial statements.

12 Listed investments

	2023 £	2022 £
Fair value at the start of the year	1,800,500	1,601,697
Additions at cost	–	175,000
Disposal proceeds	(45,900)	(56,400)
Net (losses) gains on revaluation	(69,199)	80,202
Fair value at the end of the year	1,685,401	1,800,500
Cash held by investment managers for re-investment	–	–
Fair value at the end of the year	1,685,401	1,800,500
Listed investments are represented by:		
UK mutual funds	1,685,401	1,800,500
Cash held for investment managers for reinvestment	–	–
Fair value at the end of the year	1,685,401	1,800,500

13 Debtors

	2023 £	2022 £
Trade debtors	100	100
Other debtors	6,651	80,325
Prepayments	5,685	6,223
VAT	–	–
Accrued income	99,969	24,390
	112,405	111,038

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	35,429	52,143
Accruals	15,751	14,001
Social security	2	–
	51,182	66,144

15a Analysis of net assets between funds (current year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	15,103	–	–	–	15,103
Investments	315,720	247,430	–	1,122,250	1,685,400
Net current assets	20,130	114,073	126,187	–	260,390
Net assets at the end of the year	350,953	361,503	126,187	1,122,250	1,960,893

15b Analysis of net assets between funds (prior year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	13,681	–	–	–	13,681
Investments	328,335	274,880	–	1,197,285	1,800,500
Net current assets	23,780	134,420	205,129	–	363,330
Net assets at the end of the year	365,797	409,300	205,129	1,197,285	2,177,511

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2023

16a Movements in funds (current year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment (losses)/ gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,197,285	–	–	(29,135)	(45,900)	1,122,250
Restricted funds:						
<u>Artist development:</u>						
Francis Chagrin Covid19 Composer awards	–	5,000	(5,000)	–	–	–
New Voices	9,000	24,500	(16,000)	–	–	17,500
Other funds	–	–	–	–	–	–
	9,000	29,500	(21,000)	–	–	17,500
<u>Education</u>						
Summer School	1,450	67,928	(28,950)	–	–	40,428
Fran Hanley fund	12,406	–	–	–	–	12,406
Listen, Imagine, Compose – Primary	13,780	29,000	(26,174)	–	–	16,606
Minute of Listening	5,000	–	(4,623)	–	–	377
Other funds	–	–	–	–	–	–
	32,636	96,928	(59,747)	–	–	69,817
<u>Digital and Audience Engagement :</u>						
Composer/ Curator	9,000	15,700	(15,700)	–	–	9,000
British Council	52,788	–	(41,272)	–	–	11,516
	61,788	15,700	(56,972)	–	–	20,516
<u>Music Patron :</u>						
MP running costs	39,491	120,742	(148,788)	–	–	11,445
MP development costs	62,214	–	(57,224)	–	–	4,990
	101,705	120,742	(206,012)	–	–	16,435
Other – John Seaton	–	3,762	(1,843)	–	–	1,919
Total restricted funds	205,129	266,632	(345,574)	–	–	126,187
Unrestricted funds:						
General fund	365,797	778,353	(634,575)	(40,064)	(118,557)	350,954
Designated funds:						
<u>Project Completion Reserve</u>						
<u>Artist Development:</u>						
Adopt a Composer	2,600	–	(2,600)	–	1,600	1,600
Associates	10,000	–	(3,868)	–	3,868	10,000
Francis Chagrin Covid19 Composer awards	10,000	–	(10,000)	–	30,000	30,000
ISCM	5,000	–	(4,529)	–	3,529	4,000
Networks	10,000	–	(3,272)	–	5,272	12,000
New Voices	169,700	–	(76,782)	–	45,984	138,902
Pathways	–	–	–	–	–	–
Portfolio	–	–	–	–	–	–
<u>Education</u>						
Go compose	10,000	–	(4,194)	–	24,194	30,000
Go compose Inspire Days	5,000	–	–	–	–	5,000
Listen, Imagine, Compose	–	–	–	–	–	–
Minute of Listening	15,000	–	–	–	10,000	25,000
Summer School	100,000	–	(80,381)	–	55,381	75,000
New Music Labs	5,000	–	–	–	5,000	10,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	15,000	–	(15,000)	–	20,000	20,000
Composer/Curator	40,000	–	(11,541)	–	(28,459)	–
Podcast	12,000	–	(88)	–	(11,912)	–
Total designated funds	409,300	–	(212,255)	–	164,457	361,502
Total unrestricted funds	775,097	778,353	(846,830)	(40,064)	45,900	712,456
Total funds	2,177,511	1,044,985	(1,192,404)	(69,199)	–	1,960,893

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2023

16b Movements in funds (prior year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,162,748	–	–	90,937	(56,400)	1,197,285
Restricted funds:						
<u>Artist Development:</u>						
Francis Chagrin Covid19 Composer awards	5,000	6,398	(11,398)	–	–	–
New Voices	20,000	21,560	(32,560)	–	–	9,000
Other funds	–	–	–	–	–	–
	25,000	27,958	(43,958)	–	–	9,000
<u>Education:</u>						
Summer School	35,000	53,457	(87,007)	–	–	1,450
Fran Hanly fund	2,448	9,958	–	–	–	12,406
Listen, Imagine, Compose–Primary	–	29,000	(15,220)	–	–	13,780
Minute of Listening	–	5,000	–	–	–	5,000
Other funds	–	500	(500)	–	–	–
	37,448	97,915	(102,727)	–	–	32,636
<u>Digital and Audience Engagement :</u>						
Composer Curator	5,000	9,000	(5,000)	–	–	9,000
British Council	–	52,788	–	–	–	52,788
	5,000	61,788	(5,000)	–	–	61,788
<u>Music Patron</u>						
MP running costs	22,562	100,000	(83,071)	–	–	39,491
MP development cost	–	80,000	(17,786)	–	–	62,214
	22,562	180,000	(100,857)	–	–	101,705
Organisational development	–	–	–	–	–	–
Total restricted funds	90,010	367,661	(252,542)	–	–	205,129
Unrestricted funds:						
General fund	322,246	847,693	(631,785)	(10,735)	(161,622)	365,797
Designated funds:						
<u>Project Completion Reserve</u>						
<u>Artist development:</u>						
Adopt a Composer	–	–	–	–	2,600	2,600
Associates	7,000	–	(2,995)	–	5,995	10,000
Francis Chagrin Covid19 Composer awards	5,000	–	(5,000)	–	10,000	10,000
ISCM	3,000	–	–	–	2,000	5,000
Networks	20,000	–	(2,320)	–	(7,680)	10,000
New Voices	111,650	–	(43,642)	–	101,692	169,700
Pathways	8,300	–	(8,023)	–	(277)	–
Portfolio	–	–	–	–	–	–
<u>Education</u>						
Go compose	10,000	–	(1,000)	–	1,000	10,000
Go compose Inspire Days	–	–	–	–	5,000	5,000
Listen, Imagine, Compose	–	–	–	–	–	–
Minute of Listening	25,000	–	(7,424)	–	(2,576)	15,000
Summer School	65,000	–	(18,099)	–	53,099	100,000
New Music Labs	–	–	–	–	5,000	5,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	25,000	–	(14,105)	–	4,105	15,000
Composer/Curator	30,000	–	(20,278)	–	30,278	40,000
Podcast	12,000	–	(7,786)	–	7,786	12,000
Total designated funds	321,950	–	(130,672)	–	218,022	409,300
Total unrestricted funds	644,196	847,693	(762,457)	(10,735)	56,400	775,097
Total funds	1,896,954	1,215,354	(1,014,999)	80,202	–	2,177,511

17 Movements in funds (continued)

Purposes of funds

Linked charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. The trustees of the Arthur A Paul Memorial Fund are required to maintain the capital value of the fund.

Restricted funds

Francis Chagrin Covid 19 Composer Awards

Funded by the Old Possum's Practical Trust, a responsive fund to support composers to create work and develop their practice.

New Voices

New Voices is an 18 month composer development programme funded in part by PRS for Music Foundation, Marchus Trust, The Thistle Trust, Irving Memorial Fund and Garrick Charitable Trust.

Summer School

Funded in part by Faber Music, Margaret Engering Music Trust, Three Monkeys Trust, Scops Arts Trust, Lonchlands Trust, other trusts and foundation and individual donors.

Fran Hanley Fund

Donations to a fund supporting young musicians.

Listen, Imagine, Compose – Primary

A project with Birmingham Contemporary Music Group and Birmingham University supporting the teaching of composing in primary schools, supported by the Paul Hamlyn Foundation. Funding comes via BCMG.

Minute of Listening

A donation from the Maria Bjornson Memorial Fund towards the costs of Minute of Listening, an online listening platform for primary school children.

Composer/Curator

Funded in part by PRS for Music Foundation, Joseph Boaz and Joicey Trust, a programme of financial and other support for artist producers.

British Council

Funding to support the Digital Bridge project with CMMAS in Mexico, supporting UK and Mexico based sound artists to create and share work.

Music Patron

An online platform, in development, connecting composers and patrons. Funded by the Boltini Trust, Anthony Bolton, Michael Berkeley, Ralph Kanza and Stuart Richie.

Designated funds

Project Completion Reserve. It is in the nature of the charity's activities that projects are committed to in one year but often continue into the following year. The Project Completion Reserve has been established to ensure these commitments can be met.

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2023 £	2022 £
Less than one year	7,082	6,438
One to five years	–	–
	<u>7,082</u>	<u>6,438</u>

The charity had no contingent assets or liabilities at the balance sheet date (2022: none).

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THE ORGANISATION FOR NEW MUSIC AND SOUND

England & Wales - Charity number 1124609

Accounts

Company number: 06581022

Charity Number: 1124609

The Organisation for New Music and Sound

(trading as Sound and Music)

Report and financial statements

For the year ended 31 March 2022

The Organisation for New Music and Sound

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For the year ended 31 March 2022

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The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2022

Company number 06581022 – incorporated in the United Kingdom

Charity number 1124609 – registered in England and Wales

Other name by which the charity makes itself known Sound and Music

Registered office and operational address Oxford House
Derbyshire Street
London
E2 6HG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Gregory Davies (Chair)
Juan Pablo Barrios Loaiza
Catherine Bunting
Edward Corn (retired December 2021)
Belinda Dee
David Lasserson
Imogen Lawlor
Dennis Lee
Sam Palmer
Jean-Baptiste Thiebaut (retired December 2021)
Joanne Thomas
Shirley Thompson (retired December 2021)
Alastair Cotterill (appointed December 2021)
Atem Mbeboh (appointed December 2021)

Key management personnel Susanna Eastburn MBE – Chief Executive
Hannah Bujic – Co-Head of Artist Development
Will Dutta – Co-Head of Artistic Development
Roger Horton – Finance Manager (left 30th June 2021)
Nuria Rivero – Finance Manager (started 21st June 2021)
Victoria Johnson – Head of Digital and Audience Engagement
Sophie Morrison – Head of Development
Judith Robinson – Head of Education (left 31st December 2021)
Beatrice Hubble – Head of Education (started 1st January 2022)
Sonia Stevenson – Head of Music Patron

The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2022

Investment Managers	Seven Investment Management Limited 125 Old Broad Street London EC2N 1AR
	Cazenove Investment Management Limited 1 London Wall Place London EC2Y 5AU
Bankers	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Solicitors	Bircham Dyson Bell 50 Broadway London SW1H 0BL
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108–114 Golden Lane London EC1Y 0TL

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2022

The trustees present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The charity's purposes as set out in the objects contained in the Memorandum and Articles of Association are to:

"Promote and foster the understanding and appreciation of sonic art and music including (but not limited to) new British music."

Its mission is to maximise the opportunities for people of all ages and from all backgrounds to create and enjoy new music.

The organisation has three aims:

- Artist development;
- Public engagement;
- Supporting children and young people to create their own music.

The charity seeks to achieve these aims through activities that include composer and artist development, partnerships with a range of organisations, audience development including a range of digital platforms and services, a live events programme, network building, education, advocacy and campaigning. Sound and Music champions new music and the work of British composers and artists, and seeks to ensure that they are at the heart of cultural life and enjoyed by many.

The Trustees review the aims, objectives and activities of the charity each year, monitoring progress on a quarterly basis. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its

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Trustees' annual report

For the year ended 31 March 2022

future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Benefits to the public of Sound and Music's activities include:

- Working to increase the diversity of composers who are benefiting from talent development opportunities and whose work is heard by the public, both through Sound and Music's own programmes; and through campaigning including work around the Fair Access Principles;
- Working in partnership with other organisations to develop composers' talent and professional skills, and to enable new work to be presented publicly;
- Supporting more composers, listeners and young people to access new music, especially in areas of low provision and engagement, including through Sound and Music's Composer-Curator live events programme;
- Supporting composers to develop new skills, networks and the capabilities necessary to thrive in a new music career;
- Education work nationally both in and out of schools (including Sound and Music's acclaimed Summer School for composers aged 14–18, the only activity of its kind in the UK);
- Proactively working to improve the public's access to and discovery of a wide range of new music and composers;
- Online access to a vast range of resources, from national collections of music scores and recordings to blogs, opportunities for composers, toolkits, research and evaluation;
- Disseminating information about new music, in the form of e-newsletters, information about upcoming events, social media and public events;
- Extensive and constantly evolving curated creative content via our digital platforms;
- Access to the British Music Collection, 30,000 20th and 21st century music scores located in Heritage Quay, the state-of-the-art archive centre at the University of Huddersfield, and also catalogued online alongside a wealth of content including AV footage, recordings, curated content, photographs and interviews.

Sound and Music is a national and international organisation that seeks to reach all those with an interest in new music in the UK, as well as to diversify the people engaging with it.

Achievements and performance

2021–22 was the fourth year of Sound and Music's business plan and objectives agreed by the Trustees in January 2018 and included by Arts Council England in its National Portfolio Organisation funding agreement for the period (now extended to March 2023). Significant and measurable progress was made during the year against the objectives of this business plan, as the organisation reinstated some live activity (with appropriate health and safety policies) as well as building on the achievements of the pandemic, including continuing to extend reach and engagement with beneficiaries.

During the year, Sound and Music committed to a hybrid model of working, blending in office and home working through balancing the needs of the organisation with staff members' location and

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2022

working preferences. This remains an ongoing area of development and testing, including opening up recruitment of many roles to candidates anywhere in the UK. To facilitate this hybrid model, the organisation moved offices in May 2021 to Oxford House, Bethnal Green – with a better digital set up for hybrid working, and a substantial reduction in overheads.

The Music Patron project, funded by the Boltini Trust, started to take shape with a dedicated team and the development of a beta site to test the relationship of composers and donors. This project is highly significant both for Sound and Music and for the sector, where it is hoped that it can also engender a cultural shift in how the work of composers is valued by society.

Objectives and key performance indicators (KPIs) were collated and reviewed quarterly by SMT and Board in order to measure and evaluate progress.

Some key highlights and learnings from the year follow, structured by the three core aims of the business plan.

Artist development

In total 77 composers (working across a wide range of genres, and from across the UK) were supported during the year (compared to 73 in 2020–21, and 37 in 2019–20). Maintaining this volume of support is an important commitment for the organisation in the aftermath of the pandemic. Composers were supported through a mix of programmes including New Voices (and its associated Seed Awards), the Composer–Curator programme, Adopt A Music Creator and the Covid–19 Composer Awards, which continued to evolve as a responsive, flexible cycle of awards, including (in February 2022) a call specifically targeted at composers from lower socio-economic backgrounds.

Selected applicant data demonstrates Sound and Music's progress in selecting composers from Black, Asian and ethnically diverse backgrounds (34%, up from 25%); who are D/deaf or disabled (26%, up from 16%); minority gender (14%, up from 7%) – although there was a decrease in the number of selected composers who identify as women (40%, down from 52%). 84% of selected composers were based outside London, and 66% of them were working with the organisation for the very first time.

The Fair Access Principles signatories continued to increase, with over 30 partners now signed up.

An important development during the year was the roll out of regionally-based online Composer Socials in Birmingham, Hull, Liverpool, Somerset, Sunderland and West Yorkshire – reaching 248 composers and fostering networks and peer support.

Audience Engagement

Sound and Music works with both digital and live audiences, valuing and seeking insight into both of these equally. During the lockdown phase of the pandemic, the organisation greatly increased

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Trustees' annual report

For the year ended 31 March 2022

its online activity, expanding the range of curated content available including through commissioning new digital-first work and making Minute of Listening free to all users. In 2021 – 22, the impact of this approach was maintained and extended, even while live audience engagement activity began again with the Composer–Curator programme. This saw the partnerships with Sunderland Culture and Back To Ours (Hull) come to fruition and develop further, with live events starting to happen in both areas, and a call for a new cohort of Composer–Curators announced in January 2022 (for projects to take place in 2022–23).

All of Sound and Music's online platforms continued to perform strongly and exceed reach and engagement targets, even once lockdown restrictions were relaxed. Overall, the organisation reached over 180,000 unique users online across its various platforms. Key to this success was the continuation of strong curation across the platforms, including bespoke editorial commissioning and calls that focussed on particular communities and themes such as an LGBTQI+ composers, Black composers, and responses to the climate emergency. Minute of Listening, which performed very strongly in lockdown as the organisation made it free to home educating parents and then primary schools, saw a slight decrease in users but this levelled out to around 3,000 unique users quarterly. Minute of Listening was also supported by CPD and engagement activities.

Supporting children and young people to create their own music

The 2021 Summer School took place in person, under very careful Covid measures, with not a single Covid case during the week. The 60 young people who attended this residential week overwhelmingly fed back the value of creating music alongside their peers after such a difficult time for them and many of those attending the final performances commented that the music created by the young people conveyed powerful emotion, a real testimony to the importance of supporting young people to express themselves through creating music.

Alongside the Summer School, Sound and Music extended its programme of online New Music Labs piloted the previous year, reaching 97 young people most of whom had not worked with the organisation previously.

Overall, Sound and Music's education work benefited 480 young people, of whom 43% were girls (up from 40%). However there continues to be a concerning decrease in other demographics, with 22% young people from backgrounds that experience racism (down from 27%); 5% D/deaf and disabled (down from 6%). These are key areas for attention in future years, as the music education sector begins to better understand the combined impact of the pandemic and economic context on young people, particularly those who face barriers. Sound and Music also (for the first time) collected data on socio-economic background, with 28% of young people engaged with from low-income families – another area for future attention.

Sound and Music continued its Listen Imagine Compose programme which supports teachers to develop confidence and skills in teaching composing, and (thanks to funding from the Paul Hamlyn Foundation via Birmingham Contemporary Music Group) this extended into primary schools in Bristol and the West Midlands. Overall, 333 educators benefited from continuous

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professional development (CPD) offered by Sound and Music, and 22 composers also developed skills as educators.

December 2021 also saw a milestone in Sound and Music's education work, with the departure (after 13 years) of Judith Robinson. Her replacement as Head of Education is Beatrice Hubble, who brings with her experience leading projects for Drake Music and the National Open Youth Orchestra.

Financial review: Overview

Sound and Music's total income for the year was £1,215,354 (2020–21: £900,677), of which £717,625 (2020–21: £717,625) was represented by the core grant from Arts Council England. Income from projects and fundraising was £407,095 (2020–21: £175,278). Income from other core grants and donations was £90,570 (2020–21: £7,625), and investment income and other activities totalled £63 (2020–21: £149).

The organisation expended £1,014,999 (2020–21: £871,571).

General funds

Following transfers between funds and movements in investments, the net increase in unrestricted general funds was £43,551.

Designation of funds

It is in the nature of the charity's activities that projects are budgeted in one particular year, but may only complete in the following year, with expenditure partly falling into the following year. The Board agrees in these cases to designate funds in order to secure the project delivery.

At 31st March 2021, the Project Completion Reserve held £321,950 in respect of projects which were originally budgeted for 2020–21 but in respect of which the expenditure was completed in 2022. The amount held at 31 March 2022 (£409,300) are funds designated for the completion of a number of projects that were committed to and started in the 2021–22 financial year but with delivery also taking place in 2022–23.

Balance on general funds

Retained general funds carried forward at 31 March 2022 amount to £365,797 compared with £322,246 at 31 March 2021.

Restricted funds

At 31 March 2022 there were unexpended restricted funds relating to projects of £205,129 (2021: £90,010).

Arthur A Paul Memorial Fund – Linked Charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the Trustees of Sound and Music. Trustees of the AA Paul Memorial Fund are the same as Trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. According to the conditions of the Trust Deed governing the transferral of the Fund to Sound and Music, Trustees must seek in the long term to preserve the value of the capital of the Fund having regard to inflation.

The Fund's long term objective is to support, in perpetuity, the charitable activities of Sound and Music. It is invested therefore according to an agreed and annually reviewed Investment Policy Statement which seeks to protect the capital value of the fund whilst generating a sustainable level of financial return.

In accordance with the Investment Policy and the agreed formula within it for quarterly calculation of funds to be transferred, The Arthur A Paul Trustees agreed to transfer £56,400 over the year to the charitable activities of Sound and Music to support activities promoting the presentation of original work by emerging composers, musicians and artists, in accordance with the terms of the Trust Deed.

Investment Policy Statement

AA Paul Trustees have an approved Investment Policy Statement. This brings together all of the considerations that are relevant to the management of the AA Paul Memorial Fund portfolio in one place. Any investment managers appointed to manage the assets of the Fund must follow the requirements of the Investment Policy Statement.

The Investment Policy Statement is reviewed annually by the AA Paul Trustees to ensure that it continues to describe accurately the objectives, constraints and other requirements of the Fund.

The Trustees of the Arthur A Paul Memorial Fund are bound to promote the best long-term interests of the Charity and to make adequate provision for both the present and future funding needs of the Charity. The Fund's long-term objective is to support, in perpetuity, the charitable activities of Sound and Music. To do this, the Investment Policy Statement includes an agreed approach to balancing the need to achieve a financial return sufficient to achieve the Charity's funding objectives, whilst endeavouring to maintain the purchasing power of the Fund's assets and the returns arising after taking into account the effects of inflation.

The Fund's assets are invested in accordance with the requirements of the Trustee Act 2000, Sound and Music's Articles of Association, and Charity Commission requirements. Trustee investment policy decisions are therefore to be made:

- within the scope of the powers of investment available to the Trustees;

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For the year ended 31 March 2022

- in accordance with the duties in section 4 of the Trustee Act 2000 including consideration of the suitability of investments and of diversification;
- through the adoption of investment strategies agreed by the Trustees and contained within the Investment Policy Statement.

In addition, the Trustees require any investment manager to whom they delegate discretionary powers to exercise their delegated powers only within the guidelines contained in the Investment Policy Statement.

Principal risks and uncertainties

The Board reviews and assesses the risks – strategic, operational and compliance – to which the organisation is exposed at every Board meeting, with the finance sub-committee conducting a prior scrutiny. It holds this information as a Risk Assessment and agrees actions to limit and mitigate risks identified.

The Trustees ensure that the management of risk is ongoing and embedded in management and operational procedures. Risk assessment and management is undertaken under the following areas:

- Governance;
- Operational;
- External factors;
- Compliance with laws and regulations;
- Human resources;
- Environmental;
- Technology, and
- Financial.

The major risks to which the charity is exposed, as identified by the Trustees, are reviewed at least quarterly and systems have been established to mitigate those risks as far as possible. Principal risks in 2021–22 were around the impact of global events (the pandemic, war in Ukraine, cost of living crisis) on the UK economy; risks around income generation more broadly (which remains a challenging environment for all arts organisations); and staff capacity, which remains stretched. Risks around income generation are mitigated as far as possible (with measurable success this year) through a development strategy that includes clear and timed income targets; an ongoing programme of research into new income potential; engaging the wider team and the Board in supporting income generation; exploring new income sources including around earned income; balancing (and monitoring closely) expenditure commitments against funding secured or likely; ensuring that the programme is scalable wherever possible; developing strong and distinctive cases for support. With a new business plan to be developed for 2023–24 and beyond, Sound and Music will be reviewing its priorities and staff capacity in the autumn of 2022, and consideration of staff capacity will play a key role in this.

Reserves policy

Sound and Music's reserves policy is that the organisation shall seek to maintain general fund reserves equal to six months operating expenditure. As at 31 March 2022, therefore, the target amount of general fund reserves is £357,803 which would enable Sound and Music to meet its operating costs and contractual commitments for six months in the event of having to wind up the charity. The current level of general fund reserves held (at 31 March 2022) is £365,797, which is above the target level.

Financial impact of Covid-19; going concern

The nature of Sound and Music's business model is that the majority of its income comes from grant funding. The organisation does not run a venue, and is not heavily dependent on earned income from live attendances. Therefore, the financial impact of the pandemic and the resulting lockdown on Sound and Music was, in the immediate aftermath of lockdown, limited. In the medium to long term, the organisation has identified risks around grant based funders who are likely to face severe pressure on funds available, through a combination of high demand and potential reduction in funds available, because of a fall in value of investments.

Sound and Music has Arts Council National Portfolio Organisation funding committed until March 2023. In May 2022 – like hundreds of other cultural organisations – the organisation submitted an application for NPO funding for 2023–26. The outcome of this application will be known by the end of October 2022. Whilst Trustees are confident in the strength of the evidence-based case made to the Arts Council about Sound and Music's track record in, and future plans for, significant contribution to ACE's outcomes, nonetheless a degree of uncertainty is acknowledged.

However, at time of signing (September 2022) the combination of confirmed NPO funding until March 2023, and reserves at target level, means that Trustees foresee no material uncertainties about the charity's ability to continue as a going concern for the twelve months from the signing of these accounts.

The Board will continue to review and sign off updated income and expenditure forecasts at least quarterly, with significant decisions being brought to them between meetings as necessary.

Plans for the future

2022–23 is an exciting year of transition for Sound and Music. At time of writing, extensive work has already been done (in advance of the NPO application) to consider key priorities for the next business plan, where and how the organisation's work shall develop, and what this means for the management and governance of the organisation. This work will continue into the autumn of 2022, when the ACE decision will be known, and a new business plan will be created for 2023–26 that builds on the achievements of the current one but also aims for more impact on the organisation's beneficiaries, defined more clearly as composers, young people and listeners. This impact will be strategically achieved through three shared cross-organisational priorities: removing barriers; developing sustainable local scenes; and nurturing creativity.

Strategies to achieve this will include deepening and extending existing regional partnerships, particularly targeting Levelling Up for Culture Areas; increasing the ways that beneficiaries can get actively involved as participants in our work; continuing and extending targeted online curation and commissioning; and improving the ways that Sound and Music measures, understands and communicates the impact of its work on changing the lives of its beneficiaries. Nurturing and extending regional and national partnerships and networks will be key, as will more closely involving our beneficiaries in shaping our work. It will also be an exciting time for Music Patron, as the online platform comes to life and creates more beneficial connections between composers and patrons.

Structure, Governance and Management

Sound and Music is a registered charity and a company limited by guarantee. Sound and Music was incorporated on 30 April 2008 and registered as a charity on 20 June 2008. Sound and Music was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Sound and Music has one standing sub-committee: a Finance Sub-Committee.

The Board met four times in the period online, together with an in person Awayday. Meetings of the Sound and Music Board are normally attended by the Chief Executive, Executive Administrator and other members of the senior management team as required.

Appointment of trustees

The Articles of Association lay out the methods by which Trustees are elected and re-elected, the length of terms, and the maximum length of service. Sound and Music shall have at least 3 but no more than 12 Trustees. At each annual general meeting one quarter of the Trustees, being those longest in office, shall retire from office and offer themselves for re-election.

Sound and Music recruits new Trustees against a Trustee Brief which includes details of any specialist skills or expertise being sought, and, wherever practical, recruits via open advertisement through a number of channels.

Trustee induction and training

New Trustees receive a Welcome Pack which includes:

- A Trustee Handbook
- Past Board papers
- Previous audited accounts and Annual Report
- Business plan
- Details of other Trustees

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Trustees' annual report

For the year ended 31 March 2022

- Current business plan

In addition, they have at least one meeting with the Chair. Potential Trustees are invited to observe a meeting before election at the subsequent meeting. New Trustees are also assigned another Board member (apart from the Chair) as a 'board buddy' to assist with any questions the new trustee may have. Training is available to all Board members.

Related parties and relationships with other organisations

Sound and Music keeps a Conflict of Interest register which is reviewed quarterly by Trustees as a standing agenda item at Board meetings. If a conflict of interest arises, then the conflicted individual takes no part in the discussion and at the judgement of the Chair (or Vice Chair, if it concerns the Chair) may be asked to leave the room.

Details of payments to trustees are shown in note 10 of the accounts.

As noted above, Trustees of Sound and Music automatically are elected as Trustees of the linked charity, the Arthur A Paul Memorial Fund.

Finance Sub-Committee

The Finance Sub-Committee's remit is to focus in detail on the financial planning and management of Sound and Music, the investment of its assets, the audit process and the identification and control of risk. It meets four to five times a year and reports at each subsequent Board meeting to the full Board on its business. During the year in question, the Finance Sub-Committee was chaired by Ed Corn until December 2021 and by Sam Palmer thereafter. Other members were Greg Davies and Belinda Dee.

The Finance Sub-Committee's financial purpose is to: support the effective financial management of Sound and Music; advise and shape Sound and Music's approach to financial planning and monitoring; ensure high standards are achieved in this area of Sound and Music's work; seek to maximise Sound and Music's income and control expenditure and maximise the use of Sound and Music's financial assets; ensure a stable and realistic approach to managing Sound and Music's finances to allow the organisation to undertake its charitable objects in the short, medium and long term.

The Finance Sub-Committee's audit purpose is: to make recommendations to the Board about the appointment of auditors, their contract and remuneration, to review material to be submitted to the auditor and to work in detail with the Chief Executive, Finance Manager and auditors through the process, updating the Board as it proceeds.

The Finance Sub-Committee's risk purpose is to: make regular reviews of the risks to which the organisation is susceptible, report on this to the full Board and to monitor actions in place to control these risks.

Fundraising practice

As a charity, fundraising is an important aspect of Sound and Music and the organisation raises funds through applications to trusts and foundations; through individual donations; through grants from public bodies (including the Arts Council annual National Portfolio Organisation grant) and through earned income.

Sound and Music does not use external professional fundraisers, commercial participators or other third parties in fundraising. The organisation is fully compliant with all relevant and applicable codes and has received no complaints in the year. Individual giving campaigns are designed to protect vulnerable people through a number of measures including full compliance with GDPR legislation (in other words, consent has been given for the charity to be in contact); not employing telemarketers or other third parties to engage in telephone fundraising; and ensuring that any individual giving campaigns are supplied with sufficient information, and are designed to ensure a clear choice and decision on the part of the donor without time pressure being applied.

Remuneration policy

Sound and Music has a remuneration policy which is reviewed and agreed annually.

All roles are recruited within a salary range which is agreed by Trustees. This range is set through consideration of the following factors:

- Comparison with similar roles in the cultural and charity sectors, and other sectors if relevant to filling the role with appropriate qualified staff;
- Sound and Music's business plan and the requirements of its implementation;
- Sound and Music's ability to pay, including:
 - The value created by these roles, both financial and against agreed KPIs
 - The cost to Sound and Music of increasing remuneration levels
 - The organisation's performance against income generation targets

All roles, including paid internships, offer at least the London Living Wage.

Sound and Music also invests in its staff through training and personal development. All members of staff are required to undertake a personal and professional development plan which is reviewed and agreed biannually.

All permanent posts are advertised through open recruitment and the salary range is included in the application pack. Salary ranges are consistent across the same job roles held by different members of staff. Level of pay within this range at the point of contract is determined by factors which include:

- level and relevance of past experience;
- assessment of competencies and training needs.

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For the year ended 31 March 2022

If an individual is recruited who has the potential but not yet the experience or skill to fill the requirements of the post, then a lower salary than the advertised range may be offered with an agreed package of training and professional development, together with a review point. Salaries are reviewed annually in line with budget setting and signed off as part of the budget approval process. Pay increases outside this cycle are not offered.

Pay increases are awarded against the factors outlined in Section (2) above, together with consideration of the CPIH measure.

Sound and Music takes a 'whole staff' approach to salary reviews rather than basing it on assessment of individual performance. All staff members are expected to deliver their roles to the best of their abilities and are supported to do so through performance management as well as their professional development plans. Pay increases will typically be a percentage increase on all staff member's current salary levels. Exceptions to this are rare.

Trustees are ultimately responsible for setting remuneration levels for Sound and Music's staff, advised by the Chief Executive.

The Remuneration Policy is reviewed annually by the Trustees and made available through the Staff Handbook and on the Sound and Music website.

Policy for employment of disabled persons

Sound and Music has an annually reviewed Diversity, Equality and Inclusion Policy which includes the following provision for disabled persons:

Sound and Music will make genuine efforts to recruit disabled people and take reasonable steps to make the workplace and individual jobs accessible to disabled people.

Sound and Music will regularly review its facilities for disabled employees, Trustees and volunteers and will try to overcome any problems faced wherever practicable and within reasonable resources available.

Sound and Music will ensure that people have maximum access to employment opportunities and to meetings and events, regardless of any disability.

Statement of responsibilities of the trustees

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

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Trustees' annual report

For the year ended 31 March 2022

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 11 (2020: 11). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The trustees' annual report has been approved by the Trustees on 13 September 2022 and signed on their behalf by

Greg Davies
Chair

Independent auditor's report

To the members of

The Organisation for New Music and Sound

Opinion

We have audited the financial statements of The Organisation for New Music and Sound (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, 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 charitable company's affairs as at 31 March 2022 and of its 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
- 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 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 Organisation for New Music and Sound'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.

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's 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.

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

The Organisation for New Music and Sound

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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

The Organisation for New Music and Sound

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Judith Miller (Senior statutory auditor)

3 November 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

The Organisation for New Music and Sound

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2022 Total £	2021 Total £
Income from:							
Donations	3	808,195	–	–	–	808,195	725,250
Charitable activities	4						
Artist development		1,655	–	27,958	–	29,613	33,788
Education		37,539	–	97,915	–	135,454	86,228
Digital and Audience engagement		240	–	61,788	–	62,028	10,262
Music Patron		–	–	180,000	–	180,000	45,000
Investments		63	–	–	–	63	149
Total income		847,693	–	367,661	–	1,215,354	900,677
Expenditure on:							
Raising funds		50,404	–	–	–	50,404	106,553
Charitable activities							
Artist development		265,951	61,980	43,958	–	371,889	293,965
Education		155,499	26,523	102,727	–	284,749	237,940
Digital and Audience engagement		159,932	42,169	5,000	–	207,101	233,113
Music Patron		–	–	100,857	–	100,857	–
Total expenditure	5a	631,785	130,672	252,542	–	1,014,999	871,571
Net (expenditure) before net gains on investments		215,907	(130,672)	115,119	–	200,354	29,106
Net (losses)/gains on investments		(10,735)	–	–	90,937	80,202	282,842
Net (expenditure)/income for the year	7	205,173	(130,672)	115,119	90,937	280,557	311,948
Transfers between funds		(161,622)	218,022	–	(56,400)	–	–
Net movement in funds		43,551	87,350	115,119	34,537	280,557	311,948
Reconciliation of funds:							
Total funds brought forward		322,246	321,950	90,010	1,162,748	1,896,954	1,585,006
Total funds carried forward	17	365,797	409,300	205,129	1,197,285	2,177,511	1,896,954

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

The Organisation for New Music and Sound

Balance sheet

Company no. 06581022

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	12		13,681		4,224
Investments	13		1,800,500		1,601,697
			<u>1,814,181</u>		<u>1,605,921</u>
Current assets:					
Debtors	14	111,038		30,399	
Cash at bank and in hand		318,436		310,808	
			<u>429,474</u>	<u>341,207</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(66,144)		(50,174)	
				<u></u>	
Net current assets			<u>363,330</u>		<u>291,033</u>
Total net assets	16a		<u><u>2,177,511</u></u>		<u><u>1,896,954</u></u>
The funds of the charity:	17a				
Restricted income funds			205,129		90,010
Unrestricted income funds:					
Designated funds		409,300		321,950	
General funds		365,797		322,246	
			<u>775,097</u>	<u></u>	<u>644,196</u>
Total funds – Sound and Music			<u>980,226</u>		<u>734,206</u>
Linked charity unrestricted funds:					
Arthur A Paul Memorial Fund			1,197,285		1,162,748
Total funds			<u><u>2,177,511</u></u>		<u><u>1,896,954</u></u>

Approved by the trustees on 13 September 2022 and signed on their behalf by

Greg Davies
Chair

The Organisation for New Music and Sound

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Net income for the reporting period (as per the statement of financial activities)		280,557		311,948	
Depreciation charges		1,635		2,238	
Depreciation charges eliminated on disposal		(4,544)		–	
Losses/(Gains) on investments		(80,202)		(282,842)	
Dividends, interest and rent from investments		(63)		(149)	
Decrease / (Increase) in debtors		(80,639)		(14,824)	
Increase / (decrease) in creditors		15,970		(3,912)	
Net cash provided by / (used in) operating activities		132,713		12,459	
Cash flows from investing activities:					
Dividends, interest and rents from investments		63		149	
Purchase of fixed assets		(11,991)		(950)	
Disposals of fixed assets		5,443		–	
Purchase of investments		(175,000)		–	
Proceeds from sale of investments		56,400		45,800	
Net cash (used in) investing activities		(125,085)		44,999	
Change in cash and cash equivalents in the year		7,628		57,458	
Cash and cash equivalents at the beginning of the year		310,808		253,350	
Cash and cash equivalents at the end of the year		318,436		310,808	

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

a) Statutory information

The Organisation for New Music and Sound is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is Oxford House, Derbyshire Street, Bethnal Green, London, EC2 6HG

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

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

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from charitable activities is received principally by way of grants and are included in full in the Statement of Financial Activities. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the income.

f) Investment income and interest receivable

Investment income and bank interest receivable is fully accrued at the balance sheet date.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

The Arthur A Paul Memorial Fund is a linked charity, comprised mainly of an endowment fund. Endowment funds comprise expendable endowment capital, over which the trustees have a power of discretion to convert into income. The investment income is therefore credited directly to the endowment fund.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised on an accruals basis 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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose;
- Expenditure on charitable activities includes the costs of delivering its activities and programmes undertaken to further the purposes of the charity and their associated support costs. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them;
- Other expenditure represents those items not falling into any other heading.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff costs, on the amount attributable to each activity:

• Cost of raising funds	8%
• Artist development	41%
• Education	25%
• Digital and Audience engagement	26%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Office furniture	5 years
• Equipment and computers	3 years

1 Accounting policies (continued)

l) Heritage assets

Heritage assets comprise the British Music collection that comprises a library of British music written since 1900. These items are not included on the balance sheet because in the opinion of the trustees the cost of professionally valuing them would outweigh the benefits to the users of the financial statements.

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) Cash at bank and in hand

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

p) Creditors and provisions

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

q) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

Members of staff are eligible to join a stakeholder pension scheme to which the charity contributes. Contributions are charged to the Statement of Financial Activities for the year in which they relate.

2 Detailed comparatives for the statement of financial activities

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2021 Total £
Income from:					
Donations and legacies	725,250	–	–	–	725,250
Charitable activities:					
Artist development	1,655	–	77,133	–	78,788
Education	34,706	–	51,522	–	86,228
Digital & Audience engagement	262	–	10,000	–	10,262
Investments	149	–	–	–	149
Total income	762,022	–	138,655	–	900,677
Expenditure on:					
Raising funds	106,553	–	–	–	106,553
Charitable activities					
Artist development	191,093	72,801	30,071	–	293,965
Education	124,871	51,547	61,522	–	237,940
Digital and Audience engagement	198,885	24,228	10,000	–	233,113
Organisational development	–	–	–	–	–
Total expenditure	621,402	148,576	101,593	–	871,571
Net income / (expenditure) before gains on investments	140,620	(148,576)	37,062	–	29,106
Net gains on investments	37,881	–	–	244,961	282,842
Net (expenditure)/income for the year	178,501	(148,576)	37,062	244,961	311,948
Transfers between funds	(177,426)	223,226	–	(45,800)	–
Net movement in funds	1,075	74,650	37,062	199,161	311,948
Total funds brought forward	321,171	247,300	52,948	963,587	1,585,006
Total funds carried forward	322,246	321,950	90,010	1,162,748	1,896,954

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

3 Income from donations

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donations	2,396	–	2,396	7,625	–	7,625
Grants:						
Arts Council England	717,625	–	717,625	717,625	–	717,625
Other Public Funding	88,174	–	88,174	–	–	–
	808,195	–	808,195	725,250	–	725,250

4 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Artist development:						
Anthony & Elizabeth Mellows	–	2,500	2,500	–	–	–
Garfield Weston Foundation	–	10,000	10,000	–	10,000	10,000
Old Possum's Practical Trust	–	5,000	5,000	–	–	–
PRSF Grant	–	9,000	9,000	–	10,000	10,000
Others	–	3,958	3,958	–	12,133	12,133
Project income	1,655	–	1,655	1,655	–	1,655
Sub-total for Artist development	1,655	27,958	29,613	1,655	32,133	33,788
Education:						
Bliss Trust	–	250	250	–	500	500
Boris Karloff Foundation	–	1,500	1,500	–	1,000	1,000
Derek Hill Foundation	–	2,500	2,500	–	–	–
Doyle Cart Foundation	–	–	–	–	3,000	3,000
Faber Music	–	10,000	10,000	–	–	–
Finzi Trust	–	500	500	–	500	500
Fran Hanley Fund	–	9,958	9,958	–	–	–
Lochlands Trust	–	3,000	3,000	–	–	–
Marchus Trust	–	–	–	–	5,000	5,000
Margaret Engering legacy	–	7,000	7,000	–	7,000	7,000
Michael Cornish Charitable Trust	–	1,000	1,000	–	–	–
Radcliffe Trust	–	–	–	–	5,000	5,000
Samuel Gardner Memorial Fund	–	750	750	–	1,500	1,500
Scops Arts Fund	–	10,000	10,000	–	–	–
Thomas Sivewright Catto	–	500	500	–	–	–
Three Monkeys Trust	–	5,000	5,000	–	5,000	5,000
Youth Music	–	–	–	–	12,785	12,785
D'Oyly Carte	–	–	–	–	3,000	3,000
Paul Hamlyn Foundation	–	29,000	29,000	–	–	–
Maria Bjornson Memorial Fund	–	5,000	5,000	–	–	–
Aspinwall Educational Trust	–	1,000	1,000	–	–	–
Nineveh Trust	–	2,500	2,500	–	–	–
Others	–	8,457	8,457	–	7,237	7,237
Project income	37,539	–	37,539	34,706	–	34,706
Sub-total for Education	37,539	97,915	135,454	34,706	51,522	86,228
Digital and Audience engagement:						
PRS Foundation	–	9,000	9,000	–	10,000	10,000
British Council	–	52,788	52,788	–	–	–
Project income	240	–	240	262	–	262
Sub-total for Digital and Audience engagement	240	61,788	62,028	262	10,000	10,262
Music Patron						
Boltini Trust	–	100,000	100,000	–	25,000	25,000
Anthony Bolton	–	80,000	80,000	–	20,000	20,000
Sub-total for Music Patron	–	180,000	180,000	–	45,000	45,000
Total income from charitable activities	39,434	367,661	407,095	36,623	138,655	175,278

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

5a Analysis of expenditure (current year)

	Charitable activities									
	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Music Patron	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 8)	28,105	149,827	92,829	95,426	–	48,870	16,094	99,728	530,878	461,801
Direct costs	2,567	124,545	131,501	49,565	–	51,987	–	28,846	389,011	254,987
Grants (note 6)	–	–	–	–	–	–	–	–	–	12,271
Premises	–	–	–	–	–	–	–	28,939	28,939	57,643
Finance, legal and professional	1,440	–	–	–	–	–	9,450	2,079	12,969	8,691
Communications	–	–	–	–	–	–	–	2,301	2,301	4,847
Staff recruitment, travel, training and subsistence	–	–	–	–	–	–	–	15,089	15,089	7,021
Depreciation of fixed assets	–	–	–	–	–	–	–	1,635	1,635	2,238
General office and administration	–	–	–	–	–	–	–	5,566	5,566	17,092
Computer maintenance and IT	–	–	–	–	–	–	–	12,687	12,687	22,416
Unrecoverable VAT	–	–	–	–	–	–	–	15,924	15,924	22,565
	32,112	274,372	224,330	144,991	–	100,857	25,544	212,794	1,014,999	871,571
Support costs	16,332	87,066	53,944	55,452	–	–	–	(212,794)	–	–
Governance costs	1,960	10,451	6,475	6,658	–	–	(25,544)	–	–	–
Total expenditure 2022	50,404	371,889	284,749	207,101	–	100,857	–	–	1,014,999	
Total expenditure 2021	106,553	293,965	237,940	233,113	–	–	–	–		871,571

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

5b Analysis of expenditure (prior year)

	Charitable activities							
	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 8)	52,854	104,195	71,808	100,626	–	19,917	112,401	461,801
Direct costs	5,579	94,907	88,484	40,873	–	–	25,144	254,987
Grants (note 6)	–	–	12,271	–	–	–	–	12,271
Premises	–	–	–	–	–	–	57,643	57,643
Finance, legal and professional	–	–	–	–	–	7,351	1,340	8,691
Communications	–	–	–	–	–	–	4,847	4,847
Staff recruitment, travel, training and subsistence	–	–	–	–	–	–	7,021	7,021
Depreciation of fixed assets	–	–	–	–	–	–	2,238	2,238
General office and administration	–	–	–	–	–	–	17,092	17,092
Computer maintenance and IT	–	–	–	–	–	–	22,416	22,416
Unrecoverable VAT	–	–	–	–	–	–	22,565	22,565
	58,433	199,102	172,563	141,499	–	27,268	272,706	871,571
Support costs	43,746	86,240	59,434	83,286	–	–	(272,706)	–
Governance costs	4,374	8,623	5,943	8,328	–	(27,268)	–	–
Total expenditure 2021	106,553	293,965	237,940	233,113	–	–	–	871,571

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

6 Grant making

	2022 £	2021 £
Cost		
Community Music	–	4,313
Drake Music	–	3,785
Birmingham University	–	1,812
University of Huddersfield	–	2,361
At the end of the year	–	12,271

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	1,635	2,238
Operating lease rentals:		
Property	–	47,136
Auditor's remuneration (excluding VAT):		
Audit – current year	7,875	7,500
Other services – under/(over) accrual in previous year	1,200	(150)
Other services – VAT advice	–	–

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	473,903	412,276
Social security costs	37,875	33,629
Employer's contribution to defined contribution pension schemes	19,101	15,896
	530,879	461,801

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 –£69,999	1	–

The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel were £297,388 (2021: £257,242).

No claims for trustee expenses were made in the year (2021: £nil).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Charitable activities	16.0	14.0
Raising funds	2.0	1.4
Governance of the charity	1.0	1.0
	19.0	16.4

10 Related party transactions

No payments were made to related parties in 2022 (2021: £nil).

There are no donations (2021: none) from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Office furniture	Equipment & computers £	Total £
Cost			
At the start of the year	5,443	23,409	28,852
Additions in year	2,800	9,191	11,991
Disposals in year	(5,443)	–	(5,443)
At the end of the year	2,800	32,600	35,400
Depreciation			
At the start of the year	4,515	20,113	24,628
Charge for the year	453	1,182	1,635
Eliminated on disposal	(4,544)	–	(4,544)
At the end of the year	424	21,295	21,719
Net book value			
At the end of the year	2,376	11,305	13,681
At the start of the year	928	3,296	4,224

All of the above assets are used for charitable purposes.

12 Tangible fixed assets (continued)

In addition to the capitalised functional fixed assets, the charity also owns "The British Music Collection" comprising a music library of some 30,000 scores, 15,000 recordings and background information on British music written since 1900. It includes both published and commercially recorded and unpublished material, and is held on long term deposit at the University of Huddersfield's Archive Centre, Heritage Quay. The written archives of the founder organisations were also placed on long term deposit at Heritage Quay during 2015–16. These assets have not been included in the balance sheet because, in the opinion of the trustees, the cost of professionally valuing them to include a value in the financial statements would outweigh the benefits to the users of the financial statements.

13 Listed investments

	2022 £	2021 £
Fair value at the start of the year	1,601,697	1,364,655
Additions at cost	175,000	–
Disposal proceeds	(56,400)	(45,800)
Net (losses) gains on revaluation	80,202	282,842
Fair value at the end of the year	1,800,500	1,601,697
Cash held by investment managers for re-investment	–	–
Fair value at the end of the year	1,800,500	1,601,697
Listed investments are represented by:		
UK mutual funds	1,800,500	846,677
Cash held for investment managers for reinvestment	–	755,020
Fair value at the end of the year	1,800,500	1,601,697

14 Debtors

	2022 £	2021 £
Trade debtors	100	–
Other debtors	80,325	1,623
Prepayments	6,223	1,234
VAT	–	1,417
Accrued income	24,390	26,125
	111,038	30,399

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	52,143	20,446
Accruals	14,001	29,728
	66,144	50,174

16a Analysis of net assets between funds (current year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	13,681	–	–	–	13,681
Investments	328,335	274,880	–	1,197,285	1,800,500
Net current assets	23,780	134,420	205,129	–	363,330
Net assets at the end of the year	365,797	409,300	205,129	1,197,285	2,177,511

16b Analysis of net assets between funds (prior year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	4,224	–	–	–	4,224
Investments	298,949	140,000	–	1,162,748	1,601,697
Net current assets	19,073	181,950	90,010	–	291,033
Net assets at the end of the year	322,246	321,950	90,010	1,162,748	1,896,954

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

17a Movements in funds (current year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment (losses)/ gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,162,748	–	–	90,937	(56,400)	1,197,285
Restricted funds:						
<u>Artist development:</u>						
Francis Chagrin Covid19 Composer awards	5,000	6,398	(11,398)	–	–	–
New Voices	20,000	21,560	(32,560)	–	–	9,000
Other funds	–	–	–	–	–	–
	25,000	27,958	(43,958)	–	–	9,000
<u>Education</u>						
Summer School	35,000	53,457	(87,007)	–	–	1,450
Fran Hanley fund	2,448	9,958	–	–	–	12,406
Listen, Imagine, Compose – Primary	–	29,000	(15,220)	–	–	13,780
Minute of Listening	–	5,000	–	–	–	5,000
Other funds	–	500	(500)	–	–	–
	37,448	97,915	(102,727)	–	–	32,636
<u>Digital and Audience Engagement :</u>						
Composer/ Curator	5,000	9,000	(5,000)	–	–	9,000
British Council	–	52,788	–	–	–	52,788
	5,000	61,788	(5,000)	–	–	61,788
<u>Music Patron :</u>						
MP running costs	22,562	100,000	(83,071)	–	–	39,491
MP development costs	–	80,000	(17,786)	–	–	62,214
	22,562	180,000	(100,857)	–	–	101,705
Organisational development	–	–	–	–	–	–
Total restricted funds	90,010	367,661	(252,542)	–	–	205,129
Unrestricted funds:						
General fund	322,246	847,693	(631,785)	(10,735)	(161,622)	365,797
Designated funds:						
Project Completion Reserve						
<u>Artist Development:</u>						
Adopt a Composer	–	–	–	–	2,600	2,600
Associates	7,000	–	(2,995)	–	5,995	10,000
Francis Chagrin Covid19 Composer awards	5,000	–	(5,000)	–	10,000	10,000
ISCM	3,000	–	–	–	2,000	5,000
Networks	20,000	–	(2,320)	–	(7,680)	10,000
New Voices	111,650	–	(43,642)	–	101,692	169,700
Pathways	8,300	–	(8,023)	–	(277)	–
Portfolio	–	–	–	–	–	–
<u>Education</u>						
Go compose	10,000	–	(1,000)	–	1,000	10,000
Go compose Inspire Days	–	–	–	–	5,000	5,000
Listen, Imagine, Compose	–	–	–	–	–	–
Minute of Listening	25,000	–	(7,424)	–	(2,576)	15,000
Summer School	65,000	–	(18,099)	–	53,099	100,000
New Music Labs	–	–	–	–	5,000	5,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	25,000	–	(14,105)	–	4,105	15,000
Composer/Curator	30,000	–	(20,278)	–	30,278	40,000
Podcast	12,000	–	(7,786)	–	7,786	12,000
Total designated funds	321,950	–	(130,672)	–	218,022	409,300
Total unrestricted funds	644,196	847,693	(762,457)	(10,735)	56,400	775,097
Total funds	1,896,954	1,215,354	(1,014,999)	80,202	–	2,177,511

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2022

17b Movements in funds (prior year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	963,587	–	–	244,961	(45,800)	1,162,748
Restricted funds:						
<u>Artist Development:</u>						
ISCM	500	–	(500)	–	–	–
Francis Chagrin Covid19 Composer awards	–	12,013	(7,013)	–	–	5,000
New Voices	–	20,120	(120)	–	–	20,000
Music Patron	–	45,000	(22,438)	–	–	22,562
Other funds	–	–	–	–	–	–
	500	77,133	(30,071)	–	–	47,562
<u>Education:</u>						
Go Compose	10,000	12,785	(22,785)	–	–	–
Summer School	35,000	38,737	(38,737)	–	–	35,000
Fran Hanly fund	2,448	–	–	–	–	2,448
Other funds	–	–	–	–	–	–
	47,448	51,522	(61,522)	–	–	37,448
<u>Digital and Audience Engagement :</u>						
Composer Curator	5,000	10,000	(10,000)	–	–	5,000
Organisational development	–	–	–	–	–	–
Total restricted funds	52,948	138,655	(101,593)	–	–	90,010
Unrestricted funds:						
General fund	321,171	762,022	(621,402)	37,881	(177,426)	322,246
Designated funds:						
Project Completion Reserve						
<u>Artist development:</u>						
Adopt a Composer	–	–	–	–	–	–
Associates	–	–	–	–	7,000	7,000
Francis Chagrin Covid19 Composer awards	–	–	(8,887)	–	13,887	5,000
ISCM	–	–	–	–	3,000	3,000
Networks	–	–	–	–	20,000	20,000
New Voices	114,000	–	(63,914)	–	61,564	111,650
Pathways	8,300	–	–	–	–	8,300
Portfolio	–	–	–	–	–	–
<u>Education</u>						
Go compose	–	–	–	–	10,000	10,000
Listen, Imagine, Compose	–	–	(14,981)	–	14,981	–
Minute of Listening	20,000	–	(9,337)	–	14,337	25,000
Summer School	50,000	–	(27,229)	–	42,229	65,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	20,000	–	(9,520)	–	14,520	25,000
Composer/Curator	20,000	–	(9,156)	–	19,156	30,000
Podcast	15,000	–	(5,552)	–	2,552	12,000
Total designated funds	247,300	–	(148,576)	–	223,226	321,950
Total unrestricted funds	568,471	762,022	(769,978)	37,881	45,800	644,196
Total funds	1,585,006	900,677	(871,571)	282,842	–	1,896,954

17 Movements in funds (continued)

Purposes of funds

Linked charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. The trustees of the Arthur A Paul Memorial Fund are required to maintain the capital value of the fund.

Restricted funds

Francis Chagrin Covid 19 Composer Awards

Funded by the Old Possum's Practical Trust and individual donors, a responsive fund to support composers to create work and develop their practice.

New Voices

New Voices is an 18 month composer development programme funded in part by PRS for Music Foundation and the Garfield Weston Foundation.

Summer School

Funded in part by the Scops Arts Fund, Three Monkeys Trust and other trusts and foundation, and individual donors.

Fran Hanley Fund

Donations to a fund supporting young musicians.

Listen, Imagine, Compose – Primary

A project with Birmingham Contemporary Music Group and Birmingham University supporting the teaching of composing in primary schools, supported by the Paul Hamlyn Foundation. Funding comes via BCMG.

Minute of Listening

A donation from the Maria Bjornson Memorial Fund towards the costs of Minute of Listening, an online listening platform for primary school children.

Composer/Curator

Funded in part by PRS for Music Foundation, a programme of financial and other support for artist producers.

British Council

Funding to support the Digital Bridge project with CMMAS in Mexico, supporting UK and Mexico based sound artists to create and share work.

Music Patron

An online platform, in development, connecting composers and patrons. Funded by the Boltini Trust and through a donation from Anthony Bolton.

Designated funds

Project Completion Reserve. It is in the nature of the charity's activities that projects are committed to in one year but often continue into the following year. The Project Completion Reserve has been established to ensure these commitments can be met.

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £	2021 £
Less than one year	6,438	4,646
One to five years	–	–
	<u>6,438</u>	<u>4,646</u>

The organisation moved to new offices on 04/05/2021 under a tenancy agreement of 12 months with rent payable monthly. Under the tenancy agreement the charity has a notice period of 3 months, which equates to £6,438 rent.

The charity had no contingent assets or liabilities at the balance sheet date (2018: none).

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

THE ORGANISATION FOR NEW MUSIC AND SOUND

England & Wales - Charity number 1124609

Accounts

Company number: 06581022

Charity Number: 1124609

The Organisation for New Music and Sound

(trading as Sound and Music)

Report and financial statements

For the year ended 31 March 2021

The Organisation for New Music and Sound

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The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2021

Company number 06581022 – incorporated in the United Kingdom

Charity number 1124609 – registered in England and Wales

Other name by which the charity makes itself known Sound and Music

Registered office and operational address Oxford House
Derbyshire Street
London
E2 6HG

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Gregory Davies (Chair)
Juan Pablo Barrios Loaiza (appointed 14th December 2020)
Catherine Bunting
Edward Corn
Belinda Dee
David Lasserson
Imogen Lawlor (appointed 14th December 2020)
Dennis Lee
Sam Palmer
Jean-Baptiste Thiebaut
Joanne Thomas
Shirley Thompson

Key management personnel Susanna Eastburn – Chief Executive
Hannah Bujic – Co-Head of Artist Development
Will Dutta – Co-Head of Artistic Development
Roger Horton – Finance Manager (left 30th June 2021)
Nuria Rivero – Finance Manager (started 21st June 2021)
Victoria Johnson – Head of Digital and Audience Engagement
Sophie Morrison – Head of Development
Judith Robinson – Head of Education

The Organisation for New Music and Sound

Reference and administrative information

For the year ended 31 March 2021

Investment Managers	Seven Investment Management Limited 125 Old Broad Street London EC2N 1AR
	Cazenove Investment Management Limited 1 London Wall Place London EC2Y 5AU
Bankers	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Solicitors	Bircham Dyson Bell 50 Broadway London SW1H 0BL
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108–114 Golden Lane London EC1Y 0TL

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2021

The trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The charity's purposes as set out in the objects contained in the Memorandum and Articles of Association are to:

"Promote and foster the understanding and appreciation of sonic art and music including (but not limited to) new British music."

Its mission is to maximise the opportunities for people of all ages to create and enjoy new music.

The organisation has three aims:

- Artist development;
- Public engagement;
- Supporting children and young people to create their own music.

The charity seeks to achieve these aims through activities that include composer and artist development, partnerships with a range of organisations, audience development including a range of digital platforms and services, a live events programme, network building, education, advocacy and campaigning. Sound and Music champions new music and the work of British composers and artists, and seeks to ensure that they are at the heart of cultural life and enjoyed by many.

The Trustees review the aims, objectives and activities of the charity each year, monitoring progress on a quarterly basis. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Public benefit

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

The Organisation for New Music and Sound

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For the year ended 31 March 2021

Benefits to the public of Sound and Music's activities include:

- Working to increase the diversity of composers who are benefiting from talent development opportunities and whose work is heard by the public, both through Sound and Music's own programmes; and through campaigning including work around the Fair Access Principles;
- Working in partnership with other organisations to develop composers' talent, and to create ambitious new work which is presented publicly;
- Supporting new music to get to more people nationally, especially outside London, including through Sound and Music's Composer–Curator live events programme;
- Supporting composers to develop new skills, networks and the capabilities necessary to thrive in a new music career;
- Education work nationally: both in schools, and out of schools (including Sound and Music's acclaimed Summer School for composers aged 14–18, the only activity of its kind in the UK);
- Proactively working to improve the public's access to and discovery of a wide range of new music and composers;
- Online access to a vast range of resources, from national collections of music scores and recordings to blogs, opportunities for composers, toolkits, research and evaluation;
- Disseminating information about new music, in the form of e-newsletters, information about upcoming events, social media and public events;
- Extensive and constantly evolving curated creative content via our digital platforms;
- Access to the British Music Collection, 30,000 20th and 21st century music scores located in Heritage Quay, the state-of-the-art archive centre at the University of Huddersfield, and also catalogued online alongside a wealth of content including AV footage, recordings, curated content, photographs and interviews.

Sound and Music is a national and international organisation that seeks to reach all those with an interest in new music in the UK as well as to help a wider range of people to engage with it.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on developing, promoting and championing new music and the work of composers, and are undertaken to further Sound and Music's charitable purposes for the public benefit.

2020–21 was the third year of Sound and Music's business plan agreed by the Trustees in January 2018 and also included by the Arts Council in its National Portfolio Organisation funding agreement for 2018–22 (now extended to March 2023 because of Covid–19). As for so many, it was a year of unprecedented challenge and unforeseeable change due to the Covid–19 pandemic, the restrictions imposed and the many consequences to the organisation's beneficiaries and work. However, Sound and Music responded exceptionally well to the situation, evidenced by an extraordinary increase in engagement as well as strong testimonies from many of those who engaged with us.

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The organisation worked almost entirely remotely for the entire year, and gave considerable thought as to how to manage this effectively, ensuring the wellbeing of its staff, streamlining communications and putting the escalating needs of beneficiaries at the heart of decision making.

In addition, Sound and Music secured a significant new funding partnership with the Boltini Trust, to create a new digital platform (Music Patron) that will connect donors with composers, offering the latter a direct source of income. This project is highly significant both for Sound and Music and for the sector, where it is hoped that it can also engender a cultural shift in how the work of composers is valued by society. Funding from the Boltini Trust will underwrite the project for its first few years' development, including bringing in additional staff, and during the year Sonia Stevenson was appointed to be Head of Music Patron.

Objectives and key performance indicators (KPIs) were collated and reviewed quarterly in order to measure and evaluate progress, and reported quarterly also to Trustees at Board meetings.

Some key highlights and learnings from the year follow, structured by the three core aims of the business plan.

Artist development

In total 73 composers (working across a wide range of genres, and from across the UK) were supported during the year (compared to 37 in 2019–20) – reflecting the increased activity in response to the pandemic. Composers were supported through a mix of programmes including New Voices (and its associated Seed Awards), the Composer–Curator programme, Adopt A Music Creator and the Covid–19 Composer Awards. These last were developed as a rapid response programme to support composers in their professional practice during the pandemic.

Sound and Music staff worked carefully with composers already on artist development programmes prior to the pandemic to reframe their work to be delivered digitally or within social distancing restrictions (avoiding postponement wherever possible). This means that the organisation will be able to continue to recruit new composers to its programmes in 2021–22 and beyond at a time when such opportunities will be sorely needed.

Selected applicant data demonstrates Sound and Music's progress in selecting composers from Black, Asian and ethnically diverse backgrounds (25%), who identify as women (52%) or a minority gender (12%). There continues to be an upward trend in selecting composers who are D/deaf, disabled or neurodivergent (16%) but this is still falling short of the target of 19%. Total applicant data tells a slightly different story – that the organisation is not yet quite reaching the same levels of representation across all measures. The organisation is committed to do more work with paid advertising and developing a pipeline of sector organisations to reach D/deaf, disabled or neurodivergent composers and women, in particular.

Following the launch of the Fair Access Principles in February 2020, over 20 organisations are now signatories and the impact of these Principles continues to grow externally. In February 2021,

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Sound and Music convened an online gathering of current and potential signatories in order to share good practice and reflect on progress together.

Audience Engagement

Sound and Music works with both digital and live audiences, valuing and seeking insight into both of these equally. This approach (plus the investment and attention the organisation has given to its online platforms and digital communications over the past few years) meant that the organisation was well placed to respond to the Covid-19 lockdown quickly and effectively.

All of Sound and Music's online platforms have performed strongly during the year in terms of reach and engagement with particular successes including the launch of the new primary platform in the autumn (which reached over 90k people in the quarter of its launch); the continued success of and engagement with Minute of Listening following the decision to make it free to home educators and then primary schools (which not only grew rapidly from around 2k to 6k users at the beginning of the pandemic, but saw this level of engagement sustained throughout the whole year); the success of the British Music Collection (which saw an average of 20k users per quarter over the year, compared with around 15k in 2019-20); and a strong performance on the Sampler (which increased from an average of around 3k users per quarter in 2019-20 to 4k per quarter in 2020-21). For both of the latter, the team worked hard to curate and foreground digital content and events, including a range of paid opportunities for composers to create new digital work, curate artistic content on these sites, and create editorial content.

Sound and Music's live touring programme, Composer-Curator, was extended by six months allowing for additional time for composers to reframe their projects digitally, as well as for the programme itself to be altered in preparation for 2021-22 when, for the first time, it will be delivered in partnership with organisations and artists in Hull and Sunderland.

Supporting children and young people to create their own music

This was a challenging and exceptional year for this area, as the organisation not only delivered the Summer School digitally for the first time (and at very short notice) but also many other additional activities. Despite the lack of in person activity, the Summer School students achieved great results and gave incredibly positive feedback. Because of the digital format, few students attended than in a normal year (49) and also tended to be from better supported backgrounds. However, this was offset by the introduction of a new series of free online masterclasses, created with and for young people, delivered by a diverse range of professional composers and creative musicians. These reached 50 young people from much more diverse backgrounds and the plan is to continue them in future years.

Listen Imagine Compose, Sound and Music's Continuing Professional Development programme supporting secondary school teachers in teaching composing, was delivered online and attracted many more teachers than in previous years when it has been delivered in person (492 teachers,

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compared to 81 in 2019–20) – valuable learning about the barriers that many teachers face to attending CPD in person, which will be borne in mind for future years' activity.

Financial review: Overview

Sound and Music's total income for the year was £900,677 (2019–20: £872,142), of which £717,625 (2019–20: £704,659) was represented by the core grant from Arts Council England. Income from projects and fundraising was £175,278 (2019–20: £161,847). Income from other core grants and donations was £7,625 (2019–20: £4,195), and investment income and other activities totalled £149 (2019–20: £1,441).

The organisation expended £871,571 (2019–20: £952,105).

General funds

Following transfers between funds and movements in investments, the net increase in unrestricted general funds was £1,075.

Designation of funds

It is in the nature of the charity's activities that projects are budgeted in one particular year, but may only complete in the following year, with expenditure partly falling into the following year. The Board agrees in these cases to designate funds in order to secure the project delivery.

At 31st March 2020, the Project Completion Reserve held £247,300 in respect of projects which were originally budgeted for 2019–20 but in respect of which the expenditure was completed in 2021. The amount held at 31 March 2021 (£321,950) are funds designated for the completion of a number of projects that were committed to and started in the 2020–21 financial year but with delivery also taking place in 2021–22.

Balance on general funds

Retained general funds carried forward at 31 March 2021 amount to £322,246 compared with £321,171 at 31 March 2020.

Restricted funds

At 31 March 2021 there were unexpended restricted funds relating to projects of £90,010 (2020: £52,948).

Arthur A Paul Memorial Fund – Linked Charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the Trustees of Sound and Music. Trustees of the AA Paul Memorial Fund are the same as Trustees of Sound and Music. The fund may be applied to advance the

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For the year ended 31 March 2021

knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. According to the conditions of the Trust Deed governing the transferral of the Fund to Sound and Music, Trustees must seek in the long term to preserve the value of the capital of the Fund having regard to inflation.

The Fund's long term objective is to support, in perpetuity, the charitable activities of Sound and Music. It is invested therefore according to an agreed and annually reviewed Investment Policy Statement which seeks to protect the capital value of the fund whilst generating a sustainable level of financial return.

The beginning of the financial year 2020–21 saw the market at a very low level due to the Covid19 pandemic which had just affected markets worldwide, which meant that at that point the AA Paul Fund was at an unprecedentedly low level (£963,587) (and Trustees had exceptionally agreed not to make any transfer in the final quarter of 2019–20). However, market recovery during the year restored the fund's capital value and the fund recovered well. All of this means that there was an exceptional increase in value of the AA Paul Fund across the whole year of £244,961.

In accordance with the Investment Policy and the agreed formula within it for quarterly calculation of funds to be transferred, The Arthur A Paul Trustees agreed to transfer £45,800 over the year to the charitable activities of Sound and Music to support activities promoting the presentation of original work by emerging composers, musicians and artists, in accordance with the terms of the Trust Deed.

Investment Policy Statement

AA Paul Trustees have an approved Investment Policy Statement. This brings together all of the considerations that are relevant to the management of the AA Paul Memorial Fund portfolio in one place. Any investment managers appointed to manage the assets of the Fund must follow the requirements of the Investment Policy Statement. During the year, a tender process was undertaken to review investment managers following an update to the Investment Policy Statement (to incorporate the requirement for responsible investment). This resulted in a switch of investment managers from 7IM to Cazenove.

The Investment Policy Statement is reviewed annually by the AA Paul Trustees to ensure that it continues to describe accurately the objectives, constraints and other requirements of the Fund.

The Trustees of the Arthur A Paul Memorial Fund are bound to promote the best long-term interests of the Charity and to make adequate provision for both the present and future funding needs of the Charity. The Fund's long-term objective is to support, in perpetuity, the charitable activities of Sound and Music. To do this, the Investment Policy Statement includes an agreed approach to balancing the need to achieve a financial return sufficient to achieve the Charity's funding objectives, whilst endeavouring to maintain the purchasing power of the Fund's assets and the returns arising after taking into account the effects of inflation.

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Trustees' annual report

For the year ended 31 March 2021

The Fund's assets are invested in accordance with the requirements of the Trustee Act 2000, Sound and Music's Articles of Association, and Charity Commission requirements. Trustee investment policy decisions are therefore to be made:

- within the scope of the powers of investment available to the Trustees;
- in accordance with the duties in section 4 of the Trustee Act 2000 including consideration of the suitability of investments and of diversification;
- through the adoption of investment strategies agreed by the Trustees and contained within the Investment Policy Statement.

In addition, the Trustees require any investment manager to whom they delegate discretionary powers to exercise their delegated powers only within the guidelines contained in the Investment Policy Statement.

Principal risks and uncertainties

The Board reviews and assesses the risks – strategic, operational and compliance – to which the organisation is exposed at every Board meeting, with the finance sub-committee conducting a prior scrutiny. It holds this information as a Risk Assessment and agrees actions to limit and mitigate risks identified.

The Trustees ensure that the management of risk is ongoing and embedded in management and operational procedures. Risk assessment and management is undertaken under the following areas:

- Governance;
- Operational;
- External factors;
- Compliance with laws and regulations;
- Human resources;
- Environmental;
- Technology, and
- Financial.

The major risks to which the charity is exposed, as identified by the Trustees, are reviewed at least quarterly and systems have been established to mitigate those risks as far as possible. Principal risks in 2020–21 were around the impact of the Covid-19 pandemic on income generation, operations and wellbeing; income generation more broadly (which remains an extremely challenging environment for all arts organisations, and will be even more so in the future in the aftermath of the coronavirus pandemic) and staff capacity due to the additional demands and new activities responding to the pandemic. Risks around income generation are mitigated as far as possible by the development and monitoring of a development strategy that includes clear and timed income targets; an ongoing programme of research into new income potential; engaging the wider team and the Board in supporting income generation; exploring new income sources

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2021

including around earned income; balancing (and monitoring closely) expenditure commitments against funding secured or likely; ensuring that the programme is scalable wherever possible; developing strong and distinctive cases for support. The staff capacity risk is hoped to reduce in 2021–22.

Reserves policy

Sound and Music's reserves policy is that the organisation shall seek to maintain general fund reserves equal to six months operating expenditure. As at 31 March 2021, therefore, the target amount of general fund reserves is £343,000 which would enable Sound and Music to meet its operating costs and contractual commitments for six months in the event of having to wind up the charity. The current level of general fund reserves held (at 31 March 2021) is £322,246, which is below the target level.

Financial impact of Covid-19; going concern

The nature of Sound and Music's business model is that the majority of its income comes from grant funding. The organisation does not run a venue, and is not heavily dependent on earned income from live attendances. Therefore, the financial impact of the pandemic and the resulting lockdown on Sound and Music was, in the immediate aftermath of lockdown, limited. In the medium to long term, the organisation has identified significant risks around grant based funders who are likely to face severe pressure on funds available, through a combination of high demand as the arts sector attempts to recover from the impact of the pandemic, and the potential impact on investments of the economic situation.

Sound and Music was also successful in securing £88k of Cultural Recovery Funding via Arts Council England in the second round. This means that the organisation could go into 2021–22 with some confidence about being able to commit to key activities to support composers and young people, including the Summer School, masterclasses, at least two further rounds of Covid-19 Composer Awards and continuing Minute of Listening free to parents and schools, with additional resources created. In addition, CRF funding will support some of the one off costs associated with moving offices to smaller more flexible accommodation in May 2021 – a move that will greatly reduce the organisation's overheads.

With the Arts Council's NPO funding period extended to March 2023 (subject to an application process in September 2021) together with reasonable cash reserves, Trustees foresee no material uncertainties about the charity's ability to continue as a going concern for the twelve months from the signing of these accounts.

The Board will continue to review and sign off updated income and expenditure forecasts at least quarterly, with significant decisions being brought to them between meetings as necessary.

Plans for the future

Although 2020–21 has been such a challenge in so many ways, it has also been a year when Sound and Music's clear vision, values and purpose have enabled the organisation not only to respond well and swiftly to the needs of its beneficiaries, but to step up to the plate in terms of its national role and remit. This is also valuable work in preparation for a new business plan from 2023, and the next NPO application to the Arts Council.

Sound and Music's Trustees are already using the Arts Council's published 'investment principles' to examine how the organisation works and where it might improve. In 2021–22, some shifts will also be piloted, including a more strategic approach to regional partnership working across all three Aims; an approach to planning and evaluation that more consistently draws on the voices of the organisation's communities; plus the continued development of Music Patron. The organisation will also build on the huge wealth of learning achieved during a crisis that not only forced the organisation to think on its feet, but to learn so much about online engagement and the barriers that can be removed or created when working digitally.

In 2021–22, Sound and Music – like other organisations – is anticipating ongoing uncertainty around social distancing and restrictions, as the possibility of future waves of the pandemic remains real. This possibility is built into all of the organisation's programmes for this year and the team will support all those they are working with to adapt if necessary. The great success in commissioning and curating online content will be continued for the foreseeable future, particularly as themed calls (such as responding to the climate emergency, or a call for LGBTQI+ artists to create work) have seen a strong response in applications and in audience engagement.

Schools are facing particular challenges, which in turn rebound onto children and young people, so campaigning work around composing in music education will continue, in particular through the creation of an alliance for composing in music education. The Summer School is anticipated to take place in person, with Covid–19 measures in place, and in 2021 will include a new tutor group for electronic music.

Structure, Governance and Management

Sound and Music is a registered charity and a company limited by guarantee. Sound and Music was incorporated on 30 April 2008 and registered as a charity on 20 June 2008. Sound and Music was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Sound and Music has one standing sub-committee: a Finance Sub-Committee.

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2021

The Board met four times in the period, together with an Awayday that was convened digitally over four successive 2-hour sessions. Meetings of the Sound and Music Board are normally attended by the Chief Executive, Executive Administrator and other members of the senior management team as required.

Appointment of trustees

The Articles of Association lay out the methods by which Trustees are elected and re-elected, the length of terms, and the maximum length of service. Sound and Music shall have at least 3 but no more than 12 Trustees. At each annual general meeting one quarter of the Trustees, being those longest in office, shall retire from office and offer themselves for re-election.

Sound and Music recruits new Trustees against a Trustee Brief which includes details of any specialist skills or expertise being sought, and, wherever practical, recruits via open advertisement through a number of channels.

Trustee induction and training

New Trustees receive a Welcome Pack which includes:

- A Trustee Handbook
- Past Board papers
- Previous audited accounts and Annual Report
- Business plan
- Details of other Trustees
- Current business plan

In addition, they have at least one meeting with the Chair. Potential Trustees are invited to observe a meeting before election at the subsequent meeting. New Trustees are also assigned another Board member (apart from the Chair) as a 'board buddy' to assist with any questions the new trustee may have. Training is available to all Board members.

In 2020–21, Sound and Music appointed two new Trustees, Imogen Lawlor and Pablo Barrios, who are both under 25 and previous beneficiaries of the organisation, as part of a growing youth voice strategy.

Related parties and relationships with other organisations

Sound and Music keeps a Conflict of Interest register which is reviewed quarterly by Trustees as a standing agenda item at Board meetings. If a conflict of interest arises, then the conflicted individual takes no part in the discussion and at the judgement of the Chair (or Vice Chair, if it concerns the Chair) may be asked to leave the room.

Details of payments to trustees are shown in note 10 of the accounts.

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2021

As noted above, Trustees of Sound and Music automatically are elected as Trustees of the linked charity, the Arthur A Paul Memorial Fund.

Finance Sub-Committee

The Finance Sub-Committee's remit is to focus in detail on the financial planning and management of Sound and Music, the investment of its assets, the audit process and the identification and control of risk. It meets four to five times a year and reports at each subsequent Board meeting to the full Board on its business. During the year in question, the Finance Sub-Committee was chaired by Ed Corn. Other members were Greg Davies, Sam Palmer and Belinda Dee.

The Finance Sub-Committee's financial purpose is to: support the effective financial management of Sound and Music; advise and shape Sound and Music's approach to financial planning and monitoring; ensure high standards are achieved in this area of Sound and Music's work; seek to maximise Sound and Music's income and control expenditure and maximise the use of Sound and Music's financial assets; ensure a stable and realistic approach to managing Sound and Music's finances to allow the organisation to undertake its charitable objects in the short, medium and long term.

The Finance Sub-Committee's audit purpose is: to make recommendations to the Board about the appointment of auditors, their contract and remuneration, to review material to be submitted to the auditor and to work in detail with the Chief Executive, Finance Manager and auditors through the process, updating the Board as it proceeds.

The Finance Sub-Committee's risk purpose is to: make regular reviews of the risks to which the organisation is susceptible, report on this to the full Board and to monitor actions in place to control these risks.

Fundraising practice

As a charity, fundraising is an important aspect of Sound and Music and the organisation raises funds through applications to trusts and foundations; through individual donations; through grants from public bodies (including the Arts Council annual National Portfolio Organisation grant) and through earned income.

Sound and Music does not use external professional fundraisers, commercial participators or other third parties in fundraising. The organisation is fully compliant with all relevant and applicable codes and has received no complaints in the year. Individual giving campaigns are designed to protect vulnerable people through a number of measures including full compliance with GDPR legislation (in other words, consent has been given for the charity to be in contact); not employing telemarketers or other third parties to engage in telephone fundraising; and ensuring that any individual giving campaigns are supplied with sufficient information, and are designed to ensure a clear choice and decision on the part of the donor without time pressure being applied.

Remuneration policy

Sound and Music has a remuneration policy which is reviewed and agreed annually.

All roles are recruited within a salary range which is agreed by Trustees. This range is set through consideration of the following factors:

- Comparison with similar roles in the cultural and charity sectors, and other sectors if relevant to filling the role with appropriate qualified staff;
- Sound and Music's business plan and the requirements of its implementation;
- Sound and Music's ability to pay, including:
 - The value created by these roles, both financial and against agreed KPIs
 - The cost to Sound and Music of increasing remuneration levels
 - The organisation's performance against income generation targets

Sound and Music also invests in its staff through training and personal development. All members of staff are required to undertake a personal and professional development plan which is reviewed and agreed biannually.

All permanent posts are advertised through open recruitment and the salary range is included in the application pack. Salary ranges are consistent across the same job roles held by different members of staff. Level of pay within this range at the point of contract is determined by factors which include:

- level and relevance of past experience;
- assessment of competencies and training needs.

If an individual is recruited who has the potential but not yet the experience or skill to fill the requirements of the post, then a lower salary than the advertised range may be offered with an agreed package of training and professional development, together with a review point. Salaries are reviewed annually in line with budget setting and signed off as part of the budget approval process. Pay increases outside this cycle are not offered.

Pay increases are awarded against the factors outlined in Section (2) above, together with consideration of the CPIH measure.

Sound and Music takes a 'whole staff' approach to salary reviews rather than basing it on assessment of individual performance. All staff members are expected to deliver their roles to the best of their abilities and are supported to do so through performance management as well as their professional development plans. Pay increases will typically be a percentage increase on all staff member's current salary levels. Exceptions to this are rare.

Trustees are ultimately responsible for setting remuneration levels for Sound and Music's staff, advised by the Chief Executive.

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2021

The Remuneration Policy is reviewed annually by the Trustees and made available through the Staff Handbook and on the Sound and Music website.

Policy for employment of disabled persons

Sound and Music has an annually reviewed Diversity, Equality and Inclusion Policy which includes the following provision for disabled persons:

Sound and Music will make genuine efforts to recruit disabled people and take reasonable steps to make the workplace and individual jobs accessible to disabled people.

Sound and Music will regularly review its facilities for disabled employees, Trustees and volunteers and will try to overcome any problems faced wherever practicable and within reasonable resources available.

Sound and Music will ensure that people have maximum access to employment opportunities and to meetings and events, regardless of any disability.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Organisation for New Music and Sound for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Organisation for New Music and Sound

Trustees' annual report

For the year ended 31 March 2021

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 11 (2020: 11). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The trustees' annual report has been approved by the Trustees on 14 September 2021 and signed on their behalf by

Greg Davies
Chair

Independent auditor's report

To the members of

The Organisation for New Music and Sound

Opinion

We have audited the financial statements of The Organisation for New Music and Sound (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, 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 charitable company's affairs as at 31 March 2021 and of its 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
- 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 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 Organisation for New Music and Sound'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.

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's 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.

Opinions 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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial

Independent auditor's report

To the members of

The Organisation for New Music and Sound

statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.

Judith Miller (Senior statutory auditor)

22 September 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Organisation for New Music and Sound

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2021 Total £	2020 Total £
Income from:							
Donations	3	725,250	–	–	–	725,250	708,854
Charitable activities	4						
Artist development		1,655	–	77,133	–	78,788	28,037
Education		34,706	–	51,522	–	86,228	121,006
Digital and Audience engagement		262	–	10,000	–	10,262	12,804
Investments		149	–	–	–	149	1,441
Total income		762,022	–	138,655	–	900,677	872,142
Expenditure on:							
Raising funds		106,553	–	–		106,553	73,252
Charitable activities							
Artist development		191,093	72,801	30,071	–	293,965	378,514
Education		124,871	51,547	61,522	–	237,940	257,704
Digital and Audience engagement		198,885	24,228	10,000	–	233,113	230,646
Organisational development		–	–	–	–	–	11,989
Total expenditure	5a	621,402	148,576	101,593	–	871,571	952,105
Net (expenditure) before net gains on investments		140,620	(148,576)	37,062	–	29,106	(79,963)
Net (losses)/gains on investments		37,881	–	–	244,961	282,842	(94,600)
Net (expenditure)/income for the year	7	178,501	(148,576)	37,062	244,961	311,948	(174,563)
Transfers between funds		(177,426)	223,226	–	(45,800)	–	–
Net movement in funds		1,075	74,650	37,062	199,161	311,948	(174,563)
Reconciliation of funds:							
Total funds brought forward		321,171	247,300	52,948	963,587	1,585,006	1,759,569
Total funds carried forward	17	322,246	321,950	90,010	1,162,748	1,896,954	1,585,006

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

The Organisation for New Music and Sound

Balance sheet

Company no. 06581022

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	12		4,224		5,512
Investments	13		1,601,697		1,364,655
			<u>1,605,921</u>		<u>1,370,167</u>
Current assets:					
Debtors	14	30,399		15,575	
Cash at bank and in hand		310,808		253,350	
			<u>341,207</u>	<u>268,925</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(50,174)		(54,086)	
				<u></u>	
Net current assets			<u>291,033</u>		<u>214,839</u>
Total net assets	16a		<u>1,896,954</u>		<u>1,585,006</u>
The funds of the charity:	17a				
Restricted income funds			90,010		52,948
Unrestricted income funds:					
Designated funds		321,950		247,300	
General funds		322,246		321,171	
			<u>644,196</u>	<u>568,471</u>	
Total funds – Sound and Music			<u>734,206</u>		<u>621,419</u>
Linked charity unrestricted funds:					
Arthur A Paul Memorial Fund			1,162,748		963,587
Total funds			<u>1,896,954</u>		<u>1,585,006</u>

Approved by the trustees on 14 September 2021 and signed on their behalf by

Greg Davies
Chair

The Organisation for New Music and Sound

Statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Net income for the reporting period (as per the statement of financial activities)		311,948		(174,563)	
Depreciation charges		2,238		1,308	
Losses/(Gains) on investments		(282,842)		94,600	
Dividends, interest and rent from investments		(149)		(1,441)	
Decrease / (Increase) in debtors		(14,824)		(9,912)	
Increase / (decrease) in creditors		(3,912)		(25,840)	
Net cash provided by / (used in) operating activities		12,459		(115,848)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		149		1,441	
Purchase of fixed assets		(950)		(5,200)	
Proceeds from sale of investments		45,800		38,700	
Net cash (used in) investing activities		44,999		34,941	
Change in cash and cash equivalents in the year		57,458		(80,907)	
Cash and cash equivalents at the beginning of the year		253,350		334,257	
Cash and cash equivalents at the end of the year		310,808		253,350	

1 Accounting policies

a) Statutory information

The Organisation for New Music and Sound is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is Oxford House, Derbyshire Street, Bethnal Green, London, EC2 6HG

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

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

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from charitable activities is received principally by way of grants and are included in full in the Statement of Financial Activities. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the income.

f) Investment income and interest receivable

Investment income and bank interest receivable is fully accrued at the balance sheet date.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

The Arthur A Paul Memorial Fund is a linked charity, comprised mainly of an endowment fund. Endowment funds comprise expendable endowment capital, over which the trustees have a power of discretion to convert into income. The investment income is therefore credited directly to the endowment fund.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised on an accruals basis 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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose;
- Expenditure on charitable activities includes the costs of delivering its activities and programmes undertaken to further the purposes of the charity and their associated support costs. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them;
- Other expenditure represents those items not falling into any other heading.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff costs, on the amount attributable to each activity:

● Cost of raising funds	16%
● Artist development	31%
● Education	22%
● Digital and Audience engagement	31%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office furniture	5 years
● Equipment and computers	3 years

1 Accounting policies (continued)

l) Heritage assets

Heritage assets comprise the British Music collection that comprises a library of British music written since 1900. These items are not included on the balance sheet because in the opinion of the trustees the cost of professionally valuing them would outweigh the benefits to the users of the financial statements.

m) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) Cash at bank and in hand

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

p) Creditors and provisions

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

q) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

Members of staff are eligible to join a stakeholder pension scheme to which the charity contributes. Contributions are charged to the Statement of Financial Activities for the year in which they relate.

2 Detailed comparatives for the statement of financial activities

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	2020 Total £
Income from:					
Donations and legacies	708,854	–	–	–	708,854
Charitable activities:					
Artist development	681	1,736	25,620	–	28,037
Education	–	43,051	77,955	–	121,006
Digital & Audience engagement	2,490	314	10,000	–	12,804
Investments	1,441	–	–	–	1,441
Total income	713,466	45,101	113,575	–	872,142
Expenditure on:					
Raising funds	73,252	–	–	–	73,252
Charitable activities					
Artist development	273,371	7,104	98,039	–	378,514
Education	100,960	25,277	131,467	–	257,704
Digital and Audience engagement	193,878	17,256	19,512	–	230,646
Organisational development	–	–	11,989	–	11,989
Total expenditure	641,461	49,637	261,007	–	952,105
Net income / (expenditure) before gains on investments	72,005	(4,536)	(147,432)	–	(79,963)
Net gains on investments	(4,879)	–	–	(89,721)	(94,600)
Net (expenditure)/income for the year	67,126	(4,536)	(147,432)	(89,721)	(174,563)
Transfers between funds	(93,231)	51,540	80,391	(38,700)	–
Net movement in funds	(26,105)	47,004	(67,041)	(128,421)	(174,563)
Total funds brought forward	347,276	200,296	119,989	1,092,008	1,759,569
Total funds carried forward	321,171	247,300	52,948	963,587	1,585,006

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2021

3 Income from donations

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donations	7,625	–	7,625	4,195	–	4,195
Grants:						
Arts Council England	717,625	–	717,625	704,659	–	704,659
	<u>725,250</u>	<u>–</u>	<u>725,250</u>	<u>708,854</u>	<u>–</u>	<u>708,854</u>

4 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Artist development:						
Birmingham Contemporary Music	–	–	–	–	–	–
Bliss Trust	–	–	–	–	500	500
Boltini Trust	–	25,000	25,000	–	–	–
Cockayne Foundation	–	–	–	–	10,000	10,000
Garfield Western Foundation	–	10,000	10,000	–	–	–
Garrick Charitable Trust	–	–	–	–	–	–
Leverhulme Trust	–	–	–	–	–	–
PRSF Grant	–	10,000	10,000	–	10,000	10,000
RVW Trust	–	–	–	–	5,000	5,000
Tony Bolton	–	20,000	20,000	–	–	–
Others	–	12,133	12,133	1,736	120	1,856
Project income	1,655	–	1,655	681	–	681
Sub-total for Artist development	<u>1,655</u>	<u>77,133</u>	<u>78,788</u>	<u>2,417</u>	<u>25,620</u>	<u>28,037</u>
Education:						
Bliss Trust	–	500	500	–	500	500
Boris Karloff Foundation	–	1,000	1,000	–	–	–
Doyle Cart Foundation	–	3,000	3,000	–	–	–
Finzi Trust	–	500	500	–	–	–
Foyle Foundation	–	–	–	–	20,000	20,000
Hedley Foundation	–	–	–	–	2,500	2,500
Lucille Graham Trust	–	–	–	–	2,000	2,000
Marchus Trust	–	5,000	5,000	–	–	–
Margaret Engering legacy	–	7,000	7,000	–	–	–
Michael Tippett Foundation	–	–	–	–	2,000	2,000
Radcliffe Trust	–	5,000	5,000	–	–	–
Samuel Gardner Memorial Fund	–	1,500	1,500	–	–	–
Three Monkeys Trust	–	5,000	5,000	–	–	–
Youth Music	–	12,785	12,785	–	38,352	38,352
D'Oyly Carte	–	3,000	3,000	–	–	–
Others	–	7,237	7,237	–	12,603	12,603
Project income	34,706	–	34,706	43,051	–	43,051
Sub-total for Education	<u>34,706</u>	<u>51,522</u>	<u>86,228</u>	<u>43,051</u>	<u>77,955</u>	<u>121,006</u>
Digital and Audience engagement:						
PRS Foundation	–	10,000	10,000	–	10,000	10,000
Project income	262	–	262	2,804	–	2,804
Sub-total for Digital and Audience engagement	<u>262</u>	<u>10,000</u>	<u>10,262</u>	<u>2,804</u>	<u>10,000</u>	<u>12,804</u>
Total income from charitable activities	<u>36,623</u>	<u>138,655</u>	<u>175,278</u>	<u>48,272</u>	<u>113,575</u>	<u>161,847</u>

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2021

5a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities				Organisational development £	Governance costs £	Support costs £	2021 Total £	2020 Total £
		Artist development £	Education £	Digital and Audience engagement £						
Staff costs (Note 8)	52,854	104,195	71,808	100,626	–	19,917	112,401	461,801	446,254	
Direct costs	5,579	94,907	88,484	40,873	–	–	25,144	254,987	343,711	
Grants (note 6)	–	–	12,271	–	–	–	–	12,271	12,271	
Premises	–	–	–	–	–	–	57,643	57,643	61,205	
Finance, legal and professional	–	–	–	–	–	7,351	1,340	8,691	10,716	
Communications	–	–	–	–	–	–	4,847	4,847	8,086	
Staff recruitment, travel, training and subsistence	–	–	–	–	–	–	7,021	7,021	19,867	
Depreciation of fixed assets	–	–	–	–	–	–	2,238	2,238	1,308	
General office and administration	–	–	–	–	–	–	17,092	17,092	9,495	
Computer maintenance and IT	–	–	–	–	–	–	22,416	22,416	13,709	
Unrecoverable VAT	–	–	–	–	–	–	22,565	22,565	25,483	
	58,433	199,102	172,563	141,499	–	27,268	272,706	871,571	952,105	
Support costs	43,746	86,240	59,434	83,286	–	–	(272,706)	–	–	
Governance costs	4,374	8,623	5,943	8,328	–	(27,268)	–	–	–	
Total expenditure 2021	106,553	293,965	237,940	233,113	–	–	–	871,571		
Total expenditure 2020	73,252	378,514	257,704	230,646	11,989	–	–		952,105	

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Notes to the financial statements

For the year ended 31 March 2021

5b Analysis of expenditure (prior year)

	Charitable activities							2020 Total £
	Cost of raising funds £	Artist development £	Education £	Digital and Audience engagement £	Organisational development £	Governance costs £	Support costs £	
Staff costs (Note 8)	43,103	153,383	55,616	111,345	–	13,075	69,732	446,254
Direct costs	–	117,847	150,916	41,420	11,989	–	21,539	343,711
Grants (note 6)	–	–	12,271	–	–	–	–	12,271
Premises	–	–	–	–	–	–	61,205	61,205
Finance, legal and professional Communications	–	–	–	–	–	6,600	4,116	10,716
Staff recruitment, travel, training and subsistence	–	–	–	–	–	–	8,086	8,086
Depreciation of fixed assets	–	–	–	–	–	1,174	18,693	19,867
General office and administration	–	–	–	–	–	–	1,308	1,308
Computer maintenance and IT	–	–	–	–	–	–	9,495	9,495
Unrecoverable VAT	–	–	–	–	–	–	13,709	13,709
	–	–	–	–	–	–	25,483	25,483
	43,103	271,230	218,803	152,765	11,989	20,849	233,366	952,105
Support costs	27,676	98,485	35,711	71,494	–	–	(233,366)	–
Governance costs	2,473	8,799	3,190	6,387	–	(20,849)	–	–
Total expenditure 2020	73,252	378,514	257,704	230,646	11,989	–	–	952,105

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2021

6 Grant making

	2021 £	2020 £
Cost		
Community Music	4,313	4,313
Drake Music	3,785	3,785
Birmingham University	1,812	1,812
University of Huddersfield	2,361	2,361
	<u>12,271</u>	<u>12,271</u>
At the end of the year		

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	2,238	1,308
Operating lease rentals:		
Property	47,136	48,901
Auditor's remuneration (excluding VAT):		
Audit – current year	7,500	7,500
Other services – under/(over) accrual in previous year	(150)	600
Other services – VAT advice	–	445
	<u>–</u>	<u>–</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	412,276	398,865
Social security costs	33,629	32,534
Employer's contribution to defined contribution pension schemes	15,896	14,855
	<u>461,801</u>	<u>446,254</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 +	–	–

The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel were £257,242 (2020: £258,292).

No claims for trustee expenses were made in the year (2020: £nil).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Charitable activities	14.0	14.0
Raising funds	1.4	1.4
Governance of the charity	1.0	1.0
	16.4	16.4

10 Related party transactions

No payments were made to related parties in 2021 (2020: £nil).

There are no donations (2020: none) from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Office furniture	Equipment & computers £	Total £
Cost			
At the start of the year	5,443	22,459	27,902
Additions in year	–	950	950
Disposals in year	–	–	–
At the end of the year	5,443	23,409	28,852
Depreciation			
At the start of the year	4,169	18,221	22,390
Charge for the year	346	1,892	2,238
Eliminated on disposal	–	–	–
At the end of the year	4,515	20,113	24,628
Net book value			
At the end of the year	928	3,296	4,224
At the start of the year	1,274	4,238	5,512

All of the above assets are used for charitable purposes.

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2021

12 Tangible fixed assets (continued)

In addition to the capitalised functional fixed assets, the charity also owns "The British Music Collection" comprising a music library of some 30,000 scores, 15,000 recordings and background information on British music written since 1900. It includes both published and commercially recorded and unpublished material, and is held on long term deposit at the University of Huddersfield's Archive Centre, Heritage Quay. The written archives of the founder organisations were also placed on long term deposit at Heritage Quay during 2015–16. These assets have not been included in the balance sheet because, in the opinion of the trustees, the cost of professionally valuing them to include a value in the financial statements would outweigh the benefits to the users of the financial statements.

13 Listed investments

	2021 £	2020 £
Fair value at the start of the year	1,364,655	1,497,955
Additions at cost	–	–
Disposal proceeds	(45,800)	(38,700)
Net (losses) gains on revaluation	282,842	(94,600)
Fair value at the end of the year	1,601,697	1,364,655
Cash held by investment managers for re-investment	–	–
Fair value at the end of the year	1,601,697	1,364,655
Listed investments are represented by:		
UK mutual funds	846,677	1,364,655
Cash held for investment managers for reinvestment	755,020	–
Fair value at the end of the year	1,601,697	1,364,655

14 Debtors

	2021 £	2020 £
Trade debtors	–	1,966
Other debtors	1,623	–
Prepayments	1,234	1,283
VAT	1,417	–
Accrued income	26,125	12,326
	30,399	15,575

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	20,446	23,640
Deferred Income	–	3,000
Taxation and social security	–	9,959
VAT	–	302
Accruals	29,728	17,185
	50,174	54,086

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Notes to the financial statements

For the year ended 31 March 2021

16a Analysis of net assets between funds (current year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	4,224	–	–	–	4,224
Investments	298,949	140,000	–	1,162,748	1,601,697
Net current assets	19,073	181,950	90,010	–	291,033
Net assets at the end of the year	322,246	321,950	90,010	1,162,748	1,896,954

16b Analysis of net assets between funds (prior year)

	Unrestricted General funds £	Unrestricted Designated funds £	Restricted funds £	Arthur A Paul Memorial Fund £	Total funds £
Tangible fixed assets	5,512	–	–	–	5,512
Investments	301,068	100,000	–	963,587	1,364,655
Net current assets	14,591	147,300	52,948	–	214,839
Net assets at the end of the year	321,171	247,300	52,948	963,587	1,585,006

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2021

17a Movements in funds (current year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment (losses)/ gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	963,587	–		244,961	(45,800)	1,162,748 0.0
Restricted funds:						
<u>Artist development:</u>						
ISCM	500	–	(500)	–	–	–
Francis Chagrin Covid19 Composer awards		12,013	(7,013)	–	–	5,000
New Voices	–	20,120	(120)	–	–	20,000
Music Patron	–	45,000	(22,438)	–	–	22,562
Other funds	–	–	–	–	–	–
	500	77,133	(30,071)	–	–	47,562
<u>Education</u>						
Go Compose	10,000	12,785	(22,785)	–	–	–
Summer School	35,000	38,737	(38,737)	–	–	35,000
Fran Hanley fund	2,448	–	–	–	–	2,448
Other funds						
	47,448	51,522	(61,522)	–	–	37,448
<u>Digital and Audience Engagement :</u>						
Composer/ Curator	5,000	10,000	(10,000)	–	–	5,000 –
	5,000	10,000	(10,000)	–	–	5,000
Organisational development	–	–	–	–	–	–
Total restricted funds	52,948	138,655	(101,593)	–	–	90,010
Unrestricted funds:						
General fund	321,171	762,022	(621,402)	37,881	(177,426)	322,246
Designated funds:						
Project Completion Reserve						
<u>Artist Development:</u>						
Adopt a Composer	–	–	–	–	–	–
Associates	–	–	–	–	7,000	7,000
Francis Chagrin Covid19 Composer awards	–	–	(8,887)	–	13,887	5,000
ISCM	–	–	–	–	3,000	3,000
Networks	–	–	–	–	20,000	20,000
New Voices	114,000	–	(63,914)	–	61,564	111,650
Pathways	8,300	–	–	–	–	8,300
Portfolio	–	–	–	–	–	–
<u>Education</u>						
Go compose	–	–	–	–	10,000	10,000
Listen, Imagine, Compose	–	–	(14,981)	–	14,981	–
Minute of Listening	20,000	–	(9,337)	–	14,337	25,000
Summer School	50,000	–	(27,229)	–	42,229	65,000
<u>Digital and Audience Engagement:</u>						
British Music Collection	20,000	–	(9,520)	–	14,520	25,000
Composer/Curator	20,000	–	(9,156)	–	19,156	30,000
Podcast	15,000	–	(5,552)	–	2,552	12,000
Total designated funds	247,300	–	(148,576)	–	223,226	321,950
Total unrestricted funds	568,471	762,022	(769,978)	37,881	45,800	644,196
Total funds	1,585,006	900,677	(871,571)	282,842	–	1,896,954

The Organisation for New Music and Sound

Notes to the financial statements

For the year ended 31 March 2021

17b Movements in funds (prior year)

	At the start of the year £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers £	At the end of the year £
Linked charity						
Arthur A Paul Memorial Fund	1,092,008	–	–	(89,721)	(38,700)	963,587
Restricted funds:						
<u>Artist Development:</u>						
ISCM	–	500	(3,507)	–	3,507	500
New Voices	–	25,120	(94,532)	–	69,412	–
Other funds	–	–	–	–	–	–
	–	25,620	(98,039)	–	72,919	500
<u>Education:</u>						
Go Compose	8,000	38,352	(44,312)	–	7,960	10,000
Summer School	85,000	36,305	(86,305)	–	–	35,000
Fran Hanly fund	–	3,298	(850)	–	–	2,448
Other funds	–	–	–	–	–	–
	93,000	77,955	(131,467)	–	7,960	47,448
<u>Digital and Audience Engagement :</u>						
Composer Curator	15,000	10,000	(19,512)	–	(488)	5,000
Organisational development	11,989	–	(11,989)	–	–	–
Total restricted funds	119,989	113,575	(261,007)	–	80,391	52,948
Unrestricted funds:						
General fund	347,276	713,466	(641,461)	(4,879)	(93,231)	321,171
Designated funds:						
Project Completion Reserve						
<u>Artist development:</u>						
Adopt a Composer	400	1,736	–	–	(2,136)	–
ISCM	2,000	–	–	–	(2,000)	–
New Voices	149,219	–	–	–	(35,219)	114,000
Pathways	–	–	(7,104)	–	15,404	8,300
Portfolio	1,500	–	–	–	(1,500)	–
<u>Education</u>						
Go compose	4,325	–	–	–	(4,325)	–
Listen, Imagine, Compose	232	8,141	(10,907)	–	2,534	–
Minute of Listening	7,000	8,040	(14,370)	–	19,330	20,000
Summer School	10,000	26,870	–	–	13,130	50,000
<u>Digital and Audience Engagement :</u>						
British Music Collection	–	–	(11,062)	–	31,062	20,000
Composer/Curator	15,620	314	–	–	4,066	20,000
Podcast	10,000	–	(6,194)	–	11,194	15,000
Total designated funds	200,296	45,101	(49,637)	–	51,540	247,300
Total unrestricted funds	547,572	758,567	(691,098)	(4,879)	(41,691)	568,471
Total funds	1,759,569	872,142	(952,105)	(94,600)	–	1,585,006

17 Movements in funds (continued)

Purposes of funds

Linked charity

The Arthur A Paul Memorial Fund represents a linked charity currently administered and managed under a declaration of trust by the trustees of Sound and Music. The fund may be applied to advance the knowledge and appreciation of new music by promoting the presentation of original work by emerging composers, musicians and artists. The trustees of the Arthur A Paul Memorial Fund are required to maintain the capital value of the fund.

Restricted funds

New Voices

New Voices is an 18 month composer development programme funded in part by PRSF and the RVW Trust. Composers receive bursaries, coaching and mentoring to create new work.

Portfolio

Funded by the Esmée Fairbairn Foundation and PRS for Music Foundation, a programme of composer residencies of circa four months with ensembles and other cultural organisations.

Summer School

Funded by the Monument Trust and Arthur Bliss Trust, enabling talented young composers aged 14 to 18 to undertake an intensive residential week at the Purcell School, working with professional composers and musicians.

Go Compose

Funding from Youth Music for a national project explaining how disadvantaged young people can better access opportunities to create their own music.

British Music Collection

Funds from the RVW Trust to support the New Voices within the British Music Collection. Funds from Shape to support a disability-led artist residency with the British Music Collection. Funds from the Ambache Trust to support the profiling of historical female composers within the British Music Collection.

Minute of Listening

Funds from Fidelity UK Foundation to support the online development of Minute of Listening. Funds from PRS for Music Foundation to support Minute of Listening activity in Hull as part of UK City of Culture 2017.

Composer/Curator

Funded by Help Musicians UK and PRS for Music Foundation, a programme of financial and other bespoke support for composers involved in producing and presenting new music events independently.

Designated funds

Project Completion Reserve. It is in the nature of the charity's activities that projects are budgeted in one particular year, but may only complete in the following year, with expenditure partly falling into the following year. The Project Completion Reserve has been established to ensure that funds are available to meet such expenditure. The amount held at 31 March 2020 (£247,300) has been designated for the completion of several projects committed to and started in the 2019-20 financial year or earlier but with delivery also taking place in 2020-21.

18 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2021 £	2020 £
Less than one year	4,646	49,384
One to five years	–	8,231
	4,646	57,615

The organisation moved to new offices on 04/05/2021 under a tenancy agreement of 12 months with rent payable monthly. The operating lease commitment disclosed above relates to former office's rent.

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.