

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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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)

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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

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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.

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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

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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

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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.

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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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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

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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.

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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

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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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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 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.

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>-</u>	<u>120,742</u>	<u>120,742</u>	<u>-</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

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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	–	–
	<u>5,496</u>	<u>1,635</u>

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
	<u>569,354</u>	<u>530,879</u>

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

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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

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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:						
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

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.