

South West Music School
Company Limited by Guarantee
Financial Statements
31 August 2022

WESTCOTTS (SW) LLP

Chartered Accountants & Statutory Auditor
26-28 Southerhay East
Exeter
Devon
EX1 1NS

South West Music School
Company Limited by Guarantee
Financial Statements
Year ended 31 August 2022

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South West Music School

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 August 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2022.



Reference and administrative details

Registered charity name	South West Music School
Charity registration number	1138482
Company registration number	07307202
Principal office and registered office	Bishop Fleming 10 Temple Back Bristol BS1 6FL
The trustees	Mr D Butler Miss K Hurr Mr O Leaman Mr P Springate Mr P G Dolling
Auditor	Westcotts (SW) LLP Chartered Accountants & Statutory Auditor 26-28 Southerhay East Exeter Devon EX1 1NS
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ
Solicitors	Foot Anstey Senate Court Southernhay Exeter Devon EX1 1NT

South West Music School

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

Structure, governance and management

Governing document

The organisation is a charitable company Limited by guarantee, incorporated on 7 July 2010, registered as a charity on 19 October 2010 and commenced activities on 1 September 2010. The charity 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.

Organisation

South West Music School was founded in 2006 as a department of the Dartington Hall Trust through a partnership of the Bournemouth Symphony Orchestra, Dartington Hall Trust, Federation of Music Services South West, Wells Cathedral School and Wiltshire Music Centre. Due to success of this partnership and the work of South West Music School we began operating as an independent organisation from 1st September 2010, became a registered charity and demerged from the Dartington Hall Trust on the 1st November 2010.

South West Music School is part of a national network of Centres of Advanced Training (CATs) and Specialist Schools supported by the Department for Education, Music and Dance Scheme. The Music CATs and the whole network usually meet on a regular basis, overseen by representatives of the DfE.

Trustees

At the beginning of the 21/22 academic year – Kerenza Hurr took on the role of interim Chair for South West Music School. Kerenza supported the reintroduction of South West Youth Orchestra into SWMS activity. Kerenza handed over the interim Chair role in March 22 to Dr Oliver Leaman.

The Trustees meet quarterly and at each meeting receive comprehensive reports from the General Manager. The Board of Trustees delegate all operational and programming decisions to the General Manager and the sign off on finance and contractual agreements.

The Trustees who served during the year were:

Mr David Butler
Mr Philip Springate
Mr Philip Dolling
Mr Oliver Leaman
Ms Kerenza Hurr

Risk Management

It remains the Trustee's policy to keep administrative overheads to a minimum, but not to compromise on the quality of delivery. Every year all South West Music School policies are reviewed, revised and agreed by the Trustees and the relevant internal systems altered to mitigate the risk to which the Charity could be exposed.

South West Music School

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

Objectives and activities

The objective of South West Music School in accordance to our Memorandum and Articles is to provide music education for young people primarily in, but not limited to, the South West of England.

Our students and delivery are spread across the South West of England.

We work in partnership with music professionals, educational settings and venues across the region, nationally and internationally.

South West Music School is a virtually based organisation, with no fixed office or delivery building.

This enables our team to work across the region on a more locally spread basis.

This objective has been delivered through the following programmes of work:

Music and Dance Scheme (MDS)

SWMS offers tuition and mentoring in a number of programmes that are funded under the Music and Dance Scheme (MDS). We work with up to 75 students who are funded either wholly or in part by MDS grants and have additional pay as you go students who are not eligible for a grant. The scheme delivers 1-2-1 mentoring by music education and industry professionals, individual tuition, development programmes, workshops and residential learning opportunities depending on the programme the students are registered to. **These include the Core, Performance Development, Enhanced Foundation, the Composer and Songwriter Programmes.** Our main programmes are cross genre/cross instrumentation.

In 2021-22 MDS funded students were tutored by approx 150 specialist teachers and guided by 25 mentors. Of the 'graduating' students from these programmes, multiple progressed to higher education to study music including University and Conservatoire, while others went directly into the music industry as performers. Further students left SWMS with scholarships to other education institutions.

South West Music School is open to students who are not eligible for a grant. The families either pay for a full programme of activity, excluding a tuition budget, or they contribute on a "pay as you go" basis. The 21/22 cohort included 19 such students of varying age.

Other Programmes

SWMS also offers programmes, which are not funded through the MDS. The Foundation course is for young musicians in the 7-11 year age range who are not yet of a standard to apply for Music and Dance scheme grant.

SWMS continues to work in partnership with most of the Music Education Hubs that operate within our geographic region. SWMS is seen as a progression partner in support of the strategy for local and regional music education development and progression.

Applications and auditions

The application process continued online for the 21/22 year (started in April of 21)

The auditions too were conducted through film auditions and online interviews.

We had 22 new student applications for 21/22 – a total cohort of 82 students across the programmes. 63 of the students were eligible for MDS grants (full and partial)

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

Achievements and performance

2021/2022 has seen the gradual re-opening of face-to-face collaborative music education.

Our mentoring and tuition slowly returned to in person meetings and our workshops and residential started to resume, although a little stop/start initially due to COVID. We delivered the following activity:

16 programme day workshops at weekends

5 residential (3/4 days each) including the return of South West Youth Orchestra

Composer programme

Our students were treated to the expertise of the fabulous Eddie Parker and Alexandra Hamilton-Ayres for 3 days over the October half term. The theme of the residential was Music to Pictures. Each student approached their work differently, working with instrumental recordings, software and special effects. They then have a choice of joining one of the Core residentials.

"We just wanted to say a HUGE thank you for organising the workshop on composing for film this half term. Our daughter Eva had a wonderful time. She said that the mentors were brilliant and that it was great to have a really challenging deadline to compose for. She was so grateful to Alex for her encouragement and help with the tech and to Eddie for his help with synthetic sounds. Thank you so much to all of you who were involved for devising this workshop which has been a highlight of Eva's year."

Songwriter programme

As a new programme this year, we decided to kick off with an overnight residential for the students to enable them to get to know each other, and their tutors a little better. Thanks to the guidance of the talented Matthew Ker and Mara Simpson, the students lost no time in writing some amazing lyrics and accompaniment individually and collaboratively. On the second day the students met Mark Crossland another tutor for this programme. He gave them an introduction to his work in production and musical theatre.

"What a fabulous time Dexy had. She made some good friends and absolutely loved the experience. Can't thank you enough!

Cali came away from it exhausted, but elated. This is the first real chance Cali has ever had to play/make music with others, so he really enjoyed it. We were so impressed with the quality of all the students performances and are amazed that they managed to create such wonderful work in just over 24 hours. What a lot of talent in one room! Once again, thank you to you all for providing such a wonderful opportunity for such talented young people".

Core

Easter residential

The residential was held at Millfield School with Patrick Bailey as lead tutor supported by Matt Harrison and Jon Sterck.

The students reimagined Monteverdi's early opera – Orfeo. They worked collaboratively to devise their own response to some pieces, whilst also recreating some of the original material on modern instruments. It was a beautiful final concert.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

"Anton really enjoyed the SWMS Easter residential. He enjoyed the challenge of re-inventing Monteverdi, and also of playing the piano in a style he was unaccustomed to (thinking in terms of chords and not reading music per se). He said the challenge was to know the notes of the chord, think about an appropriate inversion to make a chord change smooth and do it, all in a split second. He said he may not have been particularly good at it, but really enjoyed the challenge of it".

July residential

This residential had a very different tutor line up – Zaid Al-Rikabi, Ben Sutcliffe and Stuart Packer. The tutors are musicians linked to the theatrical world with Stu Packer who is an actor.

The students collaborated and devised new music to a story telling narrative. As the residential took place at Millfield School – this sparked the theme of Glastonbury and its many stories. Stu Packer brought the students music and stories together to create a magical final performance.

"Daisy-Mai told me about the recent residential where she collaborated with fellow students to write a story about The Lady of the Lake. She told me that she really, really enjoyed the work, although it started slowly with ideas not flowing. She elaborated that once she had decided on the structure and guided other students in her group, musical and lyrical ideas flowed more freely, and the piece came together in a great way".

August residential

South West Youth Orchestra

In August we revisited an old friend – **South West Youth Orchestra**.

The call out was to SW based talented young classical musicians (G7+) existing and non-SWMS, including SWMS Alumni to play alongside professional orchestral musicians as part of a Symphony Orchestra. The result was met with great support. The tutors/professional musicians came from afar, as did the Alumni.

All was overseen and conducted by Patrick Bailey. We also included a project for our Composers.

There was a total of 34 instrumentalists, 1 Young Composer and 100+ Young people in the audience. The concert repertoire included – Rossini, Barber of Seville Overture, Schubert Symphony 8 (unfinished) and Three movements for coMA from Kate Whitley.

Our young composer worked hard on his piece and was successful in having it played by the Orchestra.

*"The feedback was excellent, and it is likely we will develop South West Youth Orchestra for 22/23. The most popular feedback was the **ability to explore new repertoire and meet new people**. The second most popular was **to play with others as a large orchestra of a higher standard and the advice and guidance received from the tutors and sectional leads**".*

Foundation programme

The Foundation students received 6 workshops across the academic year (2 per term)

The tutors covered areas of musical expression, comprehending and using lyrics and sounds from traditional songs around the World in their own music. They finished by composing their own pieces on the theme of Super heroes.

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Year ended 31 August 2022

Performance Development Programme

The PDP receive 4 workshops and 1 overnight residential across the academic year.

The PDP students worked with the Jazz musician Eddie Parker to develop their Improvisation skills, with the additional challenge of playing a different instrument. Eddie then introduced the students to musical conversations i.e. "owning the music" having the ability to capture mood and emotions through music.

The students went on to work on performance skills with singer/songwriter Mara Simpson - exploring various elements of performance inc coping strategies, improvisation, collaboration for creation, and stage presence leading to a performance.

Their final overnight residential took place at Millfield School with tutor Matt Harrison and the in-house tech expert to write their own ensemble pieces using inspiration from the Beck Song reader book, they then recorded their pieces in the studio.

9 genre/instrument specific day workshops

Covering the areas of:

Music Production essentials and advanced, Guitar masterclass with Steve Allsworth, A Musical mash up (introduction to songwriting).

Jazz day with Ed Leaker and friends, Drumming MC with Preston Prince, Rock and Pop day with 5 professional gigging musicians, Piano Masterclass with Jon Byrne, classical strings workshop.

Public benefit

In planning our activities for any year, we have kept in mind the charity commission guidance on public benefit.

South West Music School applications are open to all regardless of social, cultural or musical background from across the South West region of England. We ensure that our workshops/residentials are spread geographically for easy access.

To support the cost of fees we offer means-tested national grants supported by the Department for Education Music and Dance Scheme for lower income families. In 21/22 we welcomed students with a variety of additional needs inc physical accessibility and mental health challenges.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

Financial review

The Statement of Financial Activities shows the charity had incoming resources for the year of £240,933 (2021: £303,278).

Income from charitable activities relates directly to the funding of the student places within South West Music School by the way of national grants and there was a decrease in income due to a reduction in the number of students.

Outgoings during the year totalled £252,011 (2021: £196,685), of this £158,347 (2021: £122,107) was incurred servicing the student places, £82,679 (2021: £56,711) related to support costs (including staff costs of £49,483 (2021: £25,440), £10,985 (2021: £17,867) related to the governance costs of the charity. There were no fund-raising costs (2021: £nil).

The South West Music School has now completed a 3 year plan to eliminate its reserves deficit, which are now in a positive position. This has been achieved through a focus on cost reduction, and it has also been helped by the impact of the pandemic. This has shifted much of our activity on-line which has reduced the cost of delivery. This position is not expected to persist and costs will rise in future years.

SWMS Risk Analysis

South West Music School plans to continue to develop its current programme of work. Our aim is to address the identified risk factors and develop longer-term funding partners to enable South West Music School to become more sustainable. At the same time, the charity will continue to advocate the advantages of the South West Music School delivery model and educational philosophy to individuals and organisations across the region and beyond.

Reserves Policy

The reserves policy of the charity is to retain sufficient funds equivalent to two to three months' of expected running costs, equating to between £55,000 and £85,000.

The current level of reserves is in excess of the amount, which is largely due to the impact of the pandemic as our ability to host events and workshops was curtailed. We expect the reserve level to return to within the target range in the 2022/2023 academic year.

South West Music School

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

Plans for future periods

The future plans for the South West Music School are to continue to develop our current programme of work. Our aim is to diversify our income streams and develop longer term funding partners to enable South West Music School to become more sustainable.

We will continue to advocate the South West Music School model and educational philosophy to individual and organisations across the region and beyond.

Trustees' responsibilities statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP 2019 (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

South West Music School

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2022

The trustees' annual report was approved on 30 May 2023 and signed on behalf of the board of trustees by:

Mr D Butler
Trustee

South West Music School

Company Limited by Guarantee

Independent Auditor's Report to the Members of South West Music School

Year ended 31 August 2022

Opinion

We have audited the financial statements of South West Music School (the 'charity') for the year ended 31 August 2022 which comprise the Statement of Financial Activities (including Income and Expenditure account), Statement of Financial Position and the related notes, including a summary of 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 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 charity 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 directors' 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 South West Music School'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 directors with respect to going concern are described in the relevant sections of this report.

South West Music School

Company Limited by Guarantee

Independent Auditor's Report to the Members of South West Music School

(continued)

Year ended 31 August 2022

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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 trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

South West Music School

Company Limited by Guarantee

Independent Auditor's Report to the Members of South West Music School

(continued)

Year ended 31 August 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity 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 is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management. We communicated identified laws and regulations throughout our team, and remained alert to any indications of non-compliance throughout the audit.
- The company is subject to laws and regulations that govern the preparation of the financial statements, including financial reporting legislation, and other companies legislation. The company is also subject to other laws and regulations where the consequences of non-compliance could have a material impact on the amounts or disclosures within the financial statements, including employment, anti-bribery, anti-money laundering.
- Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

South West Music School

Company Limited by Guarantee

Independent Auditor's Report to the Members of South West Music School

(continued)

Year ended 31 August 2022

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

South West Music School

Company Limited by Guarantee

Independent Auditor's Report to the Members of South West Music School *(continued)*

Year ended 31 August 2022

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Wright (Senior Statutory Auditor)

For and on behalf of
Westcotts (SW) LLP
Chartered Accountants & Statutory Auditor
26-28 Southerhay East
Exeter
Devon
EX1 1NS

Date: 30 May 2023

South West Music School

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income					
Donations and legacies	5	104	–	104	11,363
Charitable activities	6	107,107	133,722	240,829	291,913
Investment income		–	–	–	2
Total income		<u>107,211</u>	<u>133,722</u>	<u>240,933</u>	<u>303,278</u>
Expenditure					
Expenditure on charitable activities	7,8	<u>118,289</u>	<u>133,722</u>	<u>252,011</u>	<u>196,685</u>
Total expenditure		<u>118,289</u>	<u>133,722</u>	<u>252,011</u>	<u>196,685</u>
Net (expenditure)/income and net movement in funds		<u>(11,078)</u>	<u>–</u>	<u>(11,078)</u>	<u>106,593</u>
Transfer between funds	18	158,534	(158,534)	–	–
Reconciliation of funds					
Total funds brought forward		<u>38</u>	<u>158,534</u>	<u>158,572</u>	<u>51,979</u>
Total funds carried forward		<u>147,494</u>	<u>–</u>	<u>147,494</u>	<u>158,572</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Prior year fund comparatives are disclosed in note 20.

The notes on pages 17 to 27 form part of these financial statements.

South West Music School
Company Limited by Guarantee
Statement of Financial Position
31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	14	1,234	1,219
Current assets			
Debtors	15	22,095	25,272
Cash at bank and in hand		140,059	152,478
		<u>162,154</u>	<u>177,750</u>
Creditors: amounts falling due within one year	16	<u>15,894</u>	<u>20,397</u>
Net current assets		<u>146,260</u>	<u>157,353</u>
Total assets less current liabilities		<u>147,494</u>	<u>158,572</u>
Net assets		<u>147,494</u>	<u>158,572</u>
Funds of the charity			
Restricted funds		—	158,534
Unrestricted funds		<u>147,494</u>	<u>38</u>
Total charity funds	18	<u>147,494</u>	<u>158,572</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 30 May 2023, and are signed on behalf of the board by:

Mr D Butler
Trustee

Company registration number: 07307202

The notes on pages 17 to 27 form part of these financial statements.

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Bishop Fleming, 10 Temple Back, Bristol, BS1 6FL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) effective 1 January 2019 (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern.

Judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors, such as their product life cycles and maintenance programmes. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Trade debtors are reviewed for impairment loss on an annual basis and provision is made for any balances where there is uncertainty against the recoverability of the balance. This methodology is applied on a customer by customer basis. Future events that are believed to be reasonable under the circumstances.

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line
Database	- 25% straight line

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

3. Accounting policies *(continued)*

Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Each member is liable to pay no more than £1 in case of winding up.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	—	—	—
Grants			
Other grants	104	—	104
	<u>104</u>	<u>—</u>	<u>104</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	—	10,450	10,450
Grants			
Other grants	—	913	913
	<u>—</u>	<u>11,363</u>	<u>11,363</u>

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fee income	7,069	—	7,069
National grants	100,038	133,722	233,760
	<u>107,107</u>	<u>133,722</u>	<u>240,829</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fee income	—	16,038	16,038
National grants	—	275,875	275,875
	<u>—</u>	<u>291,913</u>	<u>291,913</u>

The national grants represent Music and Dance Scheme and sustainability grants received from the Department for Education.

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
South West Music School	24,625	133,722	158,347
Support costs	93,664	–	93,664
	<u>118,289</u>	<u>133,722</u>	<u>252,011</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
South West Music School	–	122,107	122,107
Support costs	–	74,578	74,578
	<u>–</u>	<u>196,685</u>	<u>196,685</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £
South West Music School	158,347	82,679	241,026
Governance costs	–	10,985	10,985
	<u>158,347</u>	<u>93,664</u>	<u>252,011</u>

	Activities undertaken directly £	Support costs £	Total funds 2021 £
South West Music School	122,107	56,711	178,818
Governance costs	–	17,867	17,867
	<u>122,107</u>	<u>74,578</u>	<u>196,685</u>

9. Analysis of support costs

	Support costs £	Governance costs £	Total 2022 £
Staff costs	49,483	–	49,483
Premises	484	–	484
Communications and IT	4,768	–	4,768
General office	6,910	–	6,910
Consultant fees	20,226	–	20,226
Staff travelling, accommodation and training	808	–	808
Accountancy fees and book keeping	–	10,868	10,868
Bank interest and charges	–	117	117
	<u>82,679</u>	<u>10,985</u>	<u>93,664</u>

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

9. Analysis of support costs *(continued)*

	Support costs	Governance costs	Total 2021
	£	£	£
Staff costs	25,440	—	25,440
Premises	249	—	249
Communications and IT	5,986	—	5,986
General office	6,369	—	6,369
Consultant fees	18,427	—	18,427
Staff travelling, accommodation and training	240	119	359
Accountancy fees and book keeping	—	17,613	17,613
Bank interest and charges	—	135	135
	<u>56,711</u>	<u>17,867</u>	<u>74,578</u>

10. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>484</u>	<u>249</u>

11. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>5,500</u>	<u>5,500</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>775</u>	<u>2,420</u>

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	49,483	25,203
Employer contributions to pension plans	<u>—</u>	<u>237</u>
	<u>49,483</u>	<u>25,440</u>

The average head count of employees during the year was 2 (2021: 1).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

13. Trustee remuneration and expenses

No remuneration or benefits from employment with the charity or a related party were received by the trustees.

During the year two trustees (2021: no trustee) have had their expenses met by the charity totalling £1,601.94 (2021: £nil) for stationery and clothing costs.

14. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Database £	Total £
Cost				
At 1 September 2021	18,976	5,983	5,040	29,999
Additions	–	499	–	499
Disposals	(18,220)	(5,305)	(5,040)	(28,565)
At 31 August 2022	<u>756</u>	<u>1,177</u>	<u>–</u>	<u>1,933</u>
Depreciation				
At 1 September 2021	18,283	5,457	5,040	28,780
Charge for the year	189	295	–	484
Disposals	(18,220)	(5,305)	(5,040)	(28,565)
At 31 August 2022	<u>252</u>	<u>447</u>	<u>–</u>	<u>699</u>
Carrying amount				
At 31 August 2022	<u>504</u>	<u>730</u>	<u>–</u>	<u>1,234</u>
At 31 August 2021	<u>693</u>	<u>526</u>	<u>–</u>	<u>1,219</u>

15. Debtors

	2022 £	2021 £
Trade debtors	14,117	13,763
Prepayments and accrued income	6,080	9,611
Other debtors	1,898	1,898
	<u>22,095</u>	<u>25,272</u>

16. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	9,191	8,921
Accruals and deferred income	6,275	8,510
Social security and other taxes	–	737
Other creditors	428	2,229
	<u>15,894</u>	<u>20,397</u>

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

17. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £Nil (2021: £237).

18. Analysis of charitable funds

Unrestricted funds

	At 1 September 2021 £	Income £	Expenditure £	Transfers	At 31 August 2022 £
General funds	38	107,211	(118,289)	158,534	147,494

	At 1 September 2020 £	Income £	Expenditure £	Transfers	At 31 August 2022 £
General funds	36	2	–	–	38

Restricted funds

	At 1 September 2021 £	Income £	Expenditure £	Transfers	At 31 August 2022 £
Music and Dance Scheme Funded Programmes	158,534	133,722	(133,722)	(158,534)	–

	At 1 September 2020 £	Income £	Expenditure £	Transfers	At 31 August 2021 £
Music and Dance Scheme Funded Programmes	51,943	303,276	(196,685)	–	158,534

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,234	–	1,234
Current assets	162,154	–	162,154
Creditors less than 1 year	(15,894)	–	(15,894)
Net assets	<u>147,494</u>	<u>–</u>	<u>147,494</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	–	1,219	1,219
Current assets	38	177,712	177,750
Creditors less than 1 year	–	(20,397)	(20,397)
Net assets	<u>38</u>	<u>158,534</u>	<u>158,572</u>

During the current year the remaining restricted balances held in funds other than "Music and Dance Scheme Funded programmes" (MDS) was transferred into the MDS restricted funds in an attempt to better reflect the nature of these restricted reserves. The MDS programmes are the only ongoing projects from those listed in the restricted funds above and incorporate all subprojects funded from this source of income. The charity is exploring options for utilisation of funds where funders have specified projects on which the funds are to be expended and the balances remain unutilised despite the projects being incomplete.

Purposes of restricted funds:

- Music and Dance Scheme represents the income and cost associated with the core programme, composers, feeder programme, induction programmes, performances, and residential courses.
- A Level Music covers income and costs associated with distance A Level qualifications.

Transfers

The transfers between funds have been made to better reflect the nature of the reserves held. A revisit of the contract wording, has changed the view of the correct treatment for the funds, which are not considered to have ever been restricted.

South West Music School

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

20. Prior year fund comparatives

	Unrestricted funds £	2021 Restricted funds £	Total funds £
Income			
Donations and legacies	–	11,363	11,363
Charitable activities	–	291,913	291,913
Investment income	2	–	2
Total income	<u>2</u>	<u>303,276</u>	<u>303,278</u>
Expenditure			
Expenditure on charitable activities	–	196,685	196,685
Total expenditure	<u>–</u>	<u>196,685</u>	<u>196,685</u>
Net income and net movement in funds	<u>2</u>	<u>106,591</u>	<u>106,593</u>
Reconciliation of funds			
Total funds brought forward	36	51,943	51,979
Total funds carried forward	<u>38</u>	<u>158,534</u>	<u>158,572</u>

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2022 £	2021 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>156,074</u>	<u>168,139</u>
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	<u>15,894</u>	<u>20,397</u>

Financial assets measured at amortised cost comprise cash and debtors (excluding prepayments and tax).

Financial liabilities measured at amortised cost comprise creditors (excluding deferred income and tax).