

**Charity Registration No. 1147922**

**Company Registration No. 08116295 (England and Wales)**

**THE ALOUD CHARITY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# THE ALOUD CHARITY

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# THE ALOUD CHARITY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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The trustees present their report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

This year has been an unprecedented and extraordinary year for The Aloud Charity. It, like everyone else in Wales, has been profoundly affected by the continuation of the global pandemic, bringing with it a series of lockdowns, school closures and travel restrictions. The business of the organisation has had to pivot to online delivery and many funds secured for face-to-face activity have had to be deferred with the agreement of funders. With singing considered a high-risk activity for the duration of the year, much of what we had hoped to deliver has been significantly altered or delayed. However, we have learnt valuable lessons during this time that will impact on our future work. This annual report will refer throughout to the impact of the pandemic in terms of 2020/21 activity and in relation to the charity's financial position and future planning.

### Objectives and activities

The Aloud Charity (Aloud) mission is to engage each new generation of young people across Wales with the power of choral singing and through this activity to promote self-belief and self-confidence, to encourage aspiration, to build skills and to develop a sense of community. We believe Aloud makes a unique contribution to sustaining and reinvigorating the cultural landscape of Wales and encourages audiences across Wales and the world to engage in new ways with the extraordinary Welsh choral tradition which underpins our existence.

#### *Our aims:*

1. Aloud exists to inspire as many young people as possible from across Wales to come together to sing, learn, laugh and achieve their full potential.
2. We strive to combine motivating and inspiring training with exciting and varied performance opportunities; all of the highest quality.
3. Without funding we fail. As a charity with no regular public funding we rely entirely on fundraising to deliver all our activity to the highest quality. Our work is underpinned by excellent financial and business management and good governance including monitoring and evaluating. We constantly strive towards the long-term sustainability of our business model.

In order to secure these aims, Aloud continues to work on a long-term sustainable strategy that will deliver outstanding work with young people in communities across Wales, underpinned by financial stability, good governance and the highest artistic standards. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. We believe that the breadth and accessibility of our work will demonstrate without any doubt the public benefit that our work brings to communities across Wales and beyond.

Our ability to deliver face-to-face activity during 2020/21 was severely impacted by Covid-19. Singing was one of the activities highlighted by governments and Public Health Wales as being high-risk in terms of spreading the virus. In the latter stages of this financial year, permission has been granted for group singing to restart, provided that additional guidelines are adhered to, and necessary protocols and safety measures taken. However, following our risk assessments and conversations with our participants, we took the decision not to restart any of our local choirs in this financial year, opting instead for 13 regional rehearsals during the summer term, most of which took place outside.

# THE ALOUD CHARITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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### *Activities to deliver aims:*

Under normal circumstances we deliver our aims through two main streams of activity:

1. Only Boys Aloud
  - 13 local OBA choirs across Wales for 11-19 year olds
  - Only Boys Aloud Academi – a summer residential course for 16-19 year olds
  - A programme of outreach activity comprising free workshops in secondary schools
2. Only Kids Aloud
  - Corws OKA Chorus: a national children's choir for up to 100 8-11 year olds from across Wales
  - Aloud in the Classroom: projects delivered in primary schools aimed at developing singing teaching skills and engaging primary age children in singing

Rehearsals, residentials and performances all play a key role in this delivery.

Additional activity also normally includes an on-going programme of training for choral professionals working with us and targeted development activity such as song-writing and intergenerational projects.

### **Achievements and performance**

As outlined above, no local face-to-face delivery took place during 2020/21.

Instead, the charity focused on online provision and, towards the end of the year, outdoor regional rehearsals.

During this time, the charity delivered:

- 24 weeks of OBA virtual rehearsals (120 rehearsals in total) delivered to 100 boys across Wales
- 10 OBA recorded rehearsals viewed over 1,200 times
- 11 OBA outdoor rehearsals delivered to 131 boys in North and South Wales
- 2 OBA indoor full rehearsals for the maximum we were allowed due to Covid restrictions with 60 participants in total
- 4 Aloud in Conversation events with 58 OBA members involved (163 attendances in total)
- 2 meetings of OBA Members Forum with 13 OBA members involved in shaping the delivery of the organisation
- 1 virtual concert to a global audience of over 11,000 people
- A residential training weekend for 19 members of the Aloud team of choir leaders to prepare for face-to-face delivery and support well-being
- 3 wellbeing sessions for staff to support them during home working
- 148 new participants reached through online delivery
- 87 pupils in Japan learnt Calon Lân virtually as we led vocal training and workshops to 4 choirs in Oita and Kumamoto.
- 124 voices and videos from all over the world participated in the Everyone Aloud virtual project for St David's Day 2021
- 33 learning videos made for the brand new Only Boys Aloud Portal.

*It's a great way to stay in contact and to make sure we are still singing - I wish [the rehearsals] were longer!!!*  
OBA Choir Member, 10/20

*Being a Community Leader during lockdown has been both fun and challenging. I have missed seeing them in person, hearing them sing and having them wind me up. The online rehearsals have provided some much-needed structure to my week and being able to check in and see how the boys has been invaluable.*  
Cardiff Community Leader, 02/21

# THE ALOUD CHARITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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*"He told me that the singing session in the morning had made him feel happy and given him confidence to try the garden centre. He said that being part of OBA gives him confidence that he can be himself, no one judges him, and he felt so safe during the session that he wanted to keep that feeling inside and try something else. It actually made me quite teary to see him so excited and happy about it all."*

OBA Parent, 07/21

*I loved doing this! 🙌 Thank you so much for all your hard work. The result is fantastic. When is the next one?*  
Everyone Aloud participant, 03/21

While we were in part able to fulfil our aims around working with Only Boys Aloud during the year, we were forced to postpone the OBA 2020/21 Academi for a second year. A mini-residential course is planned for January 2022, restrictions permitting, to enable those boys who have not had the Academi experience in the last 2 years to have this professional opportunity as their OBA journey comes to an end.

Overall, the Aloud Charity's choirs performed and recorded 8 new songs which were released across social media with 164,000 views. During the year we have re-shared OBA's (pre-lockdown) recordings of 5 songs which received over 1.9 million views across social media platforms. All the videos can be viewed on Aloud's YouTube channel.

### **Staff changes:**

In a significant change for the charity, its Chief Executive Officer resigned from her position in February 2021, leaving the organisation at the end of May. Trustees set in motion a recruitment process to appoint a successor, and the successful candidate, Carys Wynne Morgan, joined the charity in the middle of July. In her initial months, she has been looking at the staffing structure and job roles within the organisation and will be recommending to the Trustees a new way of working from the autumn of 2021/22. This will involve an appointment to the position of Artistic Director.

A one-year fixed-term Digital Communications Officer, Dimana Markova, was appointed in September 2020, to support the charity to maximise its digital, online and social media profile. The legacy of this role will be a new website. During this time, we also hosted a Creative Intern for 10 months as part of a well-established programme run by Arts and Business Cymru. The intern appointed, Eleanor Benson, successfully went on to secure a position as Fundraising Co-ordinator at Sound and Music.

In an attempt to ensure a smooth transition for the development of the 2022 Corws OKA Chorus, a Project Manager, Mirain Vaughan, was appointed in August 2021 on a 16 month fixed-term contract.

Following receipt of funding to support the development of OBA in West Wales beyond the 10-week pilot project, Elin Llwyd was re-instated as Project Manager, West on a 12 month fixed-term contract. This will run in line with the financial year, ending in August 2022.

There has been a change in the Chair of the Charity during the year. Dr Ian Rees was appointed as Chair in February 2021 taking over from Menna Richards who had served 6 years in the role. We are all very grateful to Menna for her professional and dedicated stewardship of the charity throughout her term in office.

### **Financial review**

Clearly the impact of Covid-19 is a principal risk to the future delivery of the charity's aims and objectives and the Trustees have been, and continue to be, mindful of this. It has been a rapidly changing scenario, with a raft of implications in terms of financial and non-financial impact. The charity's focus has been to remain flexible and fleet of foot to respond to each new context and challenge, ensuring that our beneficiaries can still engage with us and be impacted positively by our activity.



# THE ALOUD CHARITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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Maximum advantage has been taken of the applicable government support schemes, principally the job retention scheme, with staff members being furloughed as appropriate both on full and part-time bases. At the beginning of the scheme trustees unanimously took the decision to maintain staff salaries at 100% for as long as practicable, claiming back from the JRS the available proportion. Allied to this has been support from the second round of the Cultural Recovery Fund administered by the Arts Council of Wales on behalf of Welsh Government to enable us to continue to function during the second half of the financial year.

The charity has been supported throughout the pandemic by its principal funders, with trusts and foundations showing a great deal of flexibility and understanding of the difficulties faced. To account for this there is a large, deferred income balance shown which relates to projects' deferral. This support, coupled with the inevitable reduction in expenditure as activity has moved online, has resulted in the financially strong position at the year end. However, Trustees are mindful that there is no way of knowing whether the fundraising environment will remain as favourable into the next financial year, nor how we will continue to grow without further investment from our own resources.

In support of this, some of the surplus shown in the accounts has been designated by the Trustees to fund projects that will be a priority to the charity in 2022. These include investment in:

- **The Aloud Girls' Choir £10,000**, allowing us to commit to a program for the whole academic year and not just the pilot period that is already funded by the Arts Council of Wales.
- **OBA West £10,000**, allowing us to commit to a program for the whole academic year and not just the pilot period that is already funded by the Arts Council of Wales.
- **Engagement and inclusion: £5,000**, allowing us to work with an external consultant to begin our investigation into becoming a more accessible organisation

The 2021/22 budget was approved at the Trustee meeting in September 2021 recognising that a review of this would need to be undertaken in March 2022 as the post-Covid world becomes clearer and we learn lessons from investments made.

One of the main impacts for the charity of the pandemic has been the postponement for two years of the Arts Council of Wales's Investment Review. This process would provide the charity with an opportunity to apply for significant levels of revenue funding from the Arts Council of Wales and secure its core costs for a period of 3-5 years. Any funding from this source would now not come into force until at least April 2023. Trustees, while optimistic, are mindful that this is not a given source of funding and could bring risks elsewhere in the funding picture. They are encouraging a diversity of thinking and business modelling as the organisation prepares its new Strategic Plan that will come into force in September 2022.

### **Financial position at year end and Reserves position:**

The financial position for the year to 31 August 2021 show a carried forward unrestricted surplus of £63,915 building on the position achieved in 2019/2020. As in the previous year, this surplus is the result of the restrictions put on our activities due to the pandemic. It is envisaged that this surplus will be utilised in 2020/21 as outlined in the designated funds above and also to support the activities of the charity once we are able to resume live rehearsal and projects

The level of free reserves at the year end amounted to £112,913 (excluding designated funds). Reserves are needed to secure the long term sustainability of the charity's regular activities. It is the aim of the trustees to continue to secure and strengthen the charity's position further by building the level of free reserves to achieve a minimum position of 3 months of core expenditure.

### **Going concern:**

After making appropriate enquiries and taking into account the impact as described above of the global pandemic and planned review in February 2022, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

# THE ALOUD CHARITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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### Plans for the future

As we move into the next financial year (September 2021 – August 2022) there remains some uncertainty about the role the pandemic will play in our lives for at least the first six months of the year. Trustees are aware of the challenges that this presents to the organisation, particularly as the focus of our work is with young people (many of whom are yet to be offered the vaccine) and involves choral singing, an activity that is still considered high-risk.

We will proceed with caution to support the return of face-to-face local delivery from September 2021 in line with Welsh Government guidance and local venue risk assessments. We will also continue to offer virtual rehearsals for those unable to access our live activity whether through illness, isolation, location or choice. We hope that this will expand the reach of the organisation and support those who wish to be a part of the Aloud family to connect remotely.

Key to these developments will be the new online Portal that will allow our members to access learning resources away from the rehearsal room. We are also undertaking an evaluation of our work and plan to have an impact report available by August 2022.

By January 2022 we plan to be running:

- Weekly OBA rehearsals in 11 venues across North and South Wales
- Weekly OBA rehearsals in 4 venues in Mid and West Wales
- A pilot Aloud Girls Project in the Butetown area of Cardiff
- The OBA Academi July/August 2022 and a mini Academi in January 2022
- Corws OKA Chorus auditioning early Autumn 2021 and culminating in December 2022 following a series of regional rehearsals, residential opportunities and performance experiences
- 2 Aloud in the Classroom primary cluster projects in July 2022
- Aloud @10 celebrations across the year, including 2 large-scale concerts featuring the whole Aloud family in July 2022

Fundraising for this activity continues to intensify as face-to-face activity begins and growth is anticipated across our projects, making us a truly pan-Wales organisation for the first time since the charity's inception. We plan to recruit a Bid and Content Writer in the first quarter of the financial year to support us to meet our ambitious fundraising targets and raise our profile on social media.

The staffing changes that have taken place in the latter part of the financial year combined with fewer activities to deliver has allowed the organisation time to breathe. Following this period of reflection and organisational growth, we will be advertising for external support in 2021/22 to:

- Develop a Communications Strategy
- Embark on a piece of research around Engagement and Inclusion
- Receive IT and PR support on an ongoing basis across the year

Trustees of the charity are very aware that these are challenging times in terms of fundraising but are confident that, for the time being, we are in a relatively stable financial position as described in more detail in the Financial Review section.

# THE ALOUD CHARITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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### Structure, governance and management

The company is constituted under new Articles of Association adopted by special resolution on 13 December 2016 and is a company limited by guarantee and registered charity number 1147922. (The original Memorandum of Association was dated 22 June 2012). These will be reviewed in line with the development of our 3-year Strategic Plan in 2021/22

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Trustees are recruited through an open process, with positions advertised and applications encouraged from as broad a cross-section as possible to ensure a good spread of skills, knowledge and experience. During 2020/21 one new Trustee was appointed following such a process. This person was specifically recruited to fulfil the role of Chair. Two Trustees stepped down at the end of their term and one has recently resigned their position due to the pressures of other commitments.

New Trustees undergo an induction programme to ensure that they are acquainted with all aspects of the organisation including an opportunity to meet key employees. In addition, they are fully briefed on their legal obligations under charity and company law.

The Board of Trustees has overall responsibility for ensuring that the company has appropriate systems of controls, financial and otherwise. The Chief Executive Officer advises the Board on strategic issues and manages day-to-day operations within the parameters of the Scheme of Delegation. The Chief Executive Officer meets with the chair on a monthly basis, and with the staff team on a weekly basis.

Whilst it has been normal practice for trustees to meet five times during each financial year, as a result of the resignation of the Chief Executive Officer a further meeting was held specifically to discuss the recruitment process for this role. In compliance with government guidance regarding working practices during the pandemic (and as permitted under the terms of the charity's articles of association) all meetings were held virtually.

The charity's Risk Register forms an annex to the business plan and is reviewed annually by Trustees. The register was reviewed at the board meeting in February 2020. Trustees will revisit the register during winter 2021 when the impact of Covid-19 will be more fully assessed and any medium to long-term implications will be incorporated into the register.



# THE ALOUD CHARITY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

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### Reference and administrative details

Registered charity number	1147922
Registered company number	08116295
Board of trustees	A S Carlton M Richards - resigned 02/03/2021 E L Howells - resigned 15/7/2021 K A Ali J Williams D G Pugh E R E Rees M J Burton A Eagle - appointed 29/09/2020; resigned 12/09/2021 F F Jones - appointed 29/09/2020 Ian Rees - (Chair) appointed 11/02/2021
Key management personnel	Rachel Dorniny - Chief Executive Officer (to May 2021) Carys Wynne-Morgan - Chief Executive Officer (from July 2021) Craig Yates - Acting Music Director
Registered office	Ty Derw, Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Independent examiners	Azets Audit Services Independent Examiners Ty Derw, Lime Tree Court Cardiff Gate Business Park Cardiff CF23 8AB
Bankers	HSBC Bank plc 15 Churchill Way Cardiff CF10 2HD

The trustees' report was approved by the Board of Trustees.

  
Trustee

Dated: 9/12/21

# **THE ALOUD CHARITY**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2021***

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The trustees, who are also the directors of The Aloud Charity for the purpose 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

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

# THE ALOUD CHARITY

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ALOUD CHARITY

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I report on the financial statements of the charity for the year ended 31 August 2021, which are set out on pages 10 to 23.

### **Respective responsibilities of trustees and examiner**

The charity's trustees, who are also the directors of The Aloud Charity for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



### **Sarah Case FCA DChA**

Azets Audit Services  
Chartered Accountants and Statutory Auditors  
Ty Derw  
Lime Tree Court  
Cardiff Gate Business Park  
Cardiff  
CF23 8AB  
United Kingdom

Dated: 16-12-2021

# THE ALOUD CHARITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	55,618	-	55,618	78,006	-	78,006
Charitable activities	4	340,131	-	340,131	275,279	16,553	291,832
Other trading activities	5	854	-	854	75,743	667	76,410
<b>Total income</b>		<b>396,603</b>	<b>-</b>	<b>396,603</b>	<b>429,028</b>	<b>17,220</b>	<b>446,248</b>
<b>Expenditure on:</b>							
Charitable activities	6	332,688	387	333,075	373,600	59,265	432,865
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>63,915</b>	<b>(387)</b>	<b>63,528</b>	<b>55,428</b>	<b>(42,045)</b>	<b>13,383</b>
Fund balances at 1 September 2020		115,008	11,380	126,388	59,580	53,425	113,005
<b>Fund balances at 31 August 2021</b>		<b>178,923</b>	<b>10,993</b>	<b>189,916</b>	<b>115,008</b>	<b>11,380</b>	<b>126,388</b>

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

All income and expenditure derive from continuing activities.

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

# THE ALOUD CHARITY

## BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	10		3,525		4,775
Tangible assets	11		4,480		223
			<u>8,005</u>		<u>4,998</u>
<b>Current assets</b>					
Debtors	12	1,029		4,843	
Cash at bank and in hand		340,374		183,985	
		<u>341,403</u>		<u>188,828</u>	
<b>Creditors: amounts falling due within one year</b>	13	(159,492)		(67,438)	
Net current assets			<u>181,911</u>		<u>121,390</u>
<b>Total assets less current liabilities</b>			<u>189,916</u>		<u>126,388</u>
<b>Income funds</b>					
Restricted funds	16		10,993		11,380
<u>Unrestricted funds</u>					
Designated funds	17	33,005		-	
General unrestricted funds		<u>145,918</u>		<u>115,008</u>	
			<u>178,923</u>		<u>115,008</u>
			<u>189,916</u>		<u>126,388</u>



# THE ALOUD CHARITY

## BALANCE SHEET (CONTINUED)

**AS AT 31 AUGUST 2021**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on ..... 9/12/21 .....

  
.....

Trustee

Company Registration No. 08116295

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

#### Charity information

The Aloud Charity is a private company limited by guarantee incorporated in England and Wales. The registered office is Ty Derw Lime Tree Court, Cardiff Gate Business Park, Cardiff CF23 8AB.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Sponsorship, earned income and event income is recognised in the period to which it relates.

Sponsorship income and event income received in advance is deferred and released in the financial year to which it relates.

Income from grants, trusts and foundations is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Grant income received in advance is deferred and released in the financial year to which it relates.

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

(Continued)

##### 1.5 Resources expended

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

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

##### 1.6 Intangible fixed assets other than goodwill

Intangible assets relate to arrangements which have been valued on a time cost basis. The arrangements are being amortised over their estimated useful life being a period of ten years on a straight line basis.

Arrangements	10% straight line basis
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##### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer and music equipment	33.33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

##### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

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

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Basic financial liabilities**

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.13 Taxation

As a registered charity, The Aloud Charity is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	2021	2020
	£	£
Donations and sponsorship	55,618	78,006

### 4 Charitable activities

	2021	2020
	£	£
Earned income	17,550	41,095
Grants, trusts and foundations	322,581	250,737
	340,131	291,832
Analysis by fund		
Unrestricted funds	340,131	275,279
Restricted funds	-	16,553



# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021 £	2020 £	2020 £	2020 £
Merchandise	854	743	667	1,410
Sponsorship	-	75,000	-	75,000
Other trading activities	854	75,743	667	76,410

### 6 Charitable activities

	2021 £	2020 £
Staff costs	220,985	201,198
Depreciation	1,619	2,111
Artistic and performance costs	57,300	173,397
	279,904	376,706
Share of support costs (see note7)	51,521	54,509
Share of governance costs (see note7)	1,650	1,650
	333,075	432,865
<b>Analysis by fund</b>		
Unrestricted funds	332,688	373,600
Restricted funds	387	59,265
	333,075	432,865

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Support costs	Support Governance costs £	Support Governance costs £	2021 £	Support Governance costs £	2020 £	Basis of allocation
Administration and overheads	51,521	-	51,521	54,509	54,509	Direct
Independent examination fee	-	1,650	1,650	-	1,650	Governance
	51,521	1,650	53,171	54,509	56,159	
Analysed between						
Charitable activities	51,521	1,650	53,171	54,509	56,159	

Governance costs includes payments to the independent examiners of £400 (2020: £400) for the preparation of the financial statements.

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 8 Trustees

No trustee received remuneration during the current or prior year.

No trustees were reimbursed for expenses during the current or prior year.

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Artistic	3	2
Administrative	6	5
	<u>9</u>	<u>7</u>

#### Employment costs

	2021 £	2020 £
Wages and salaries	201,788	183,015
Social security costs	13,355	12,561
Other pension costs	5,842	5,622
	<u>220,985</u>	<u>201,198</u>

#### Key management personnel

The key management personnel of the charity which are noted in the Trustees Report received benefits (gross salary, employers national insurance and employers pension contributions) totalling £78,693 (2020: £71,488).

#### Employees earning > £60,000

There were no employees whose annual remuneration was £60,000 or more during the current or prior year.

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 10 Intangible fixed assets

	Arrangements £
<b>Cost</b>	
At 1 September 2020 and 31 August 2021	12,500
<b>Amortisation and impairment</b>	
At 1 September 2020	7,725
Amortisation charged for the year	1,250
At 31 August 2021	8,975
<b>Carrying amount</b>	
At 31 August 2021	3,525
At 31 August 2020	4,775

### 11 Tangible fixed assets

	Computer and music equipment £
<b>Cost</b>	
At 1 September 2020	4,449
Additions	4,627
At 31 August 2021	9,076
<b>Depreciation and impairment</b>	
At 1 September 2020	4,227
Depreciation charged in the year	369
At 31 August 2021	4,596
<b>Carrying amount</b>	
At 31 August 2021	4,480
At 31 August 2020	223

### 12 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	-	1,800
Other debtors	1,029	3,043
	1,029	4,843

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 13 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		5,171	4,355
Deferred income	14	138,102	52,336
Trade creditors		7,611	3,316
Accruals and deferred income		8,608	7,431
		<u>159,492</u>	<u>67,438</u>

### 14 Deferred income

	2021 £	2020 £
Arising from grants	134,816	49,050
Other deferred income	3,286	3,286
	<u>138,102</u>	<u>52,336</u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Balance brought forward	52,336	131,005
Income received	425,898	288,163
Income released	(340,132)	(366,832)
	<u>138,102</u>	<u>52,336</u>

Deferred income comprises grant, sponsorship and event income which relates to future financial periods.

### 15 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,842 (2020 - £5,622).

There were no amounts outstanding in the current or prior year.



# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					
	Balance at 1 September 2019	Incoming resources	Resources expended	Balance at 1 September 2020	Resources expended	Balance at 31 August 2021
	£	£	£	£	£	£
Only Kids Aloud	53,425	17,220	(59,265)	11,380	(387)	10,993
	<u>53,425</u>	<u>17,220</u>	<u>(59,265)</u>	<u>11,380</u>	<u>(387)</u>	<u>10,993</u>

**Only Kids Aloud:** A pan-Wales choral initiative in partnership with the Hodge Foundation.

#### 17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Incoming resources	Balance at 1 September 2020	Transfers	Balance at 31 August 2021
	£	£	£	£
The Aloud Girl's Choir	-	-	10,000	10,000
Only Boys Aloud West	-	-	10,000	10,000
Brand and Identity Work	-	-	5,000	5,000
Intangible and Tangible Fixed Assets	-	-	8,005	8,005
	<u>-</u>	<u>-</u>	<u>33,005</u>	<u>33,005</u>

##### **The Aloud Girl's Choir**

Funds designated to allow us to commit to a program for the Girls' choir for the whole academic year and not just the pilot period.

##### **Only Boys Aloud West**

Funds designated to allow us to commit to a program for the OBA West choirs for the whole academic year and not just the pilot period.

##### **Brand and Identity Work**

Funds designated to commence a project around our brand with focus on increasing diversity and accessibility.

##### **Intangible and Tangible Fixed Assets**

Fund designated in relation to the net book value of the charity's unrestricted intangible and tangible fixed assets.

# THE ALOUD CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Intangible fixed assets	-	-	3,525	4,775	-	4,775
Tangible assets	-	-	4,480	223	-	223
Current assets/ (liabilities)	145,918	10,993	181,911	110,010	11,380	121,390
	<u>145,918</u>	<u>10,993</u>	<u>189,916</u>	<u>115,008</u>	<u>11,380</u>	<u>126,388</u>

### 19 Company status

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

### 20 Related party transactions

During the year 7 (2020: 7) trustees donated a total of £2,115 to the charity (2020: £2,998). There were no amounts outstanding at the year end (2020: £nil).

