Services For Education Limited

England & Wales · Charity number 1148848

Details

Other names	S4E LIMITED, BIRMINGHAM MUSIC SERVICE, S4E LEARNING TECHNOLOGIES SERVICE, S4E MUSIC SERVICE, S4E SCHOOL SUPPORT SERVICE, SERVICES FOR EDUCATION
Status	Registered
Legal form	Charitable company
Company number	07739831
Registered	2012-09-05
Register	View on the Charity Commission register

Contact

Address	Unit 3 Holt Court Holt Street Birmingham Science Park Aston Birmingham B7 4AX
Phone	0121 366 9950
Email	ENQUIRIES@SERVICESFOREDUCATION.CO.UK
Website	SERVICESFOREDUCATION.CO.UK

Activities

Objects: 1. THE ADVANCEMENT OF EDUCATION, PARTICULARLY THROUGH THE PROMOTION OF HIGH QUALITY TEACHING AND LEARNING; 2. THE ADVANCEMENT OF THE CARE, SAFETY AND UPBRINGING OF CHILDREN AND YOUNG PEOPLE BY:(A) SUPPORTING AND ASSISTING THOSE IN NEED, THEIR FAMILIES AND CARERS; (B) PROMOTING THEIR HEALTH; (C) ADVANCING THEIR EDUCATION; 3. THE ADVANCEMENT OF THE ARTS AND CULTURE, PARTICULARLY THROUGH THE PROMOTION AND TEACHING OF MUSIC.

Activities: Delivery of music, health and education, and learning and assessmemt services

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

Geography

- Birmingham City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£7,171,977	£7,036,148	£3,006,428	208
2024-08-31	£7,104,297	£6,946,775	£2,870,599	220
2023-08-31	£6,921,431	£7,035,111	£2,713,077	218
2022-08-31	£6,969,266	£6,812,162	£2,826,757	216
2021-08-31	£7,216,214	£6,283,329	£2,669,653	231
2020-08-31	£6,930,607	£6,821,548	£1,736,768	257

Trustees

Name	Role	Appointed
David Bolton		2020-09-01
Dr Jory Debenham		2023-04-05
Dr Peter Borg-Bartolo MRCS, LRCP		2023-04-04
Eluned Mansell		2025-05-06
Joanna Christine Cooney		2021-05-24
Martin Anthony Hall		2022-07-18
Oliver John Goodall Wilson		2025-05-06
PAUL CLIVE STONE		2020-09-01
Sarah Elizabeth Smith		2015-03-09

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Services For Education Limited

England & Wales - Charity number 1148848

Accounts

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

Services For Education

TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

Registered Charity in England & Wales: 1148848
Registered as a Company Limited by Guarantee in England & Wales
No. 07739831

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2025

Trustees	Martin Hall, Chair David Bolton Paul Stone Joanna Cooney Jory Debenham Sarah Smith Peter Borg-Bartolo Oliver Wilson (appointed 6 May 2025) Eluned Mansell (appointed 6 May 2025)
Company registered Number	07739831
Charity registered Number	1148848
Registered office	Unit 3, Holt Court Holt Street Birmingham B7 4AX
Company secretary	David Alcock
Chief executive officer	Sharon Bell
Independent auditor	Cooper Parry Group Limited Statutory Auditor Cubo Birmingham 4th Floor Two Chamberlain Square Birmingham B3 3AX

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WHY WE EXIST

Our Vision and Mission

Services For Education is a unique charity that uses the power of learning and of music to transform and enhance the lives of children, young people, adults, and our wider communities.

We bring learning and music to life.

Our work encompasses a broad range of settings, including:

- Teaching pupils learning vocal and a diverse range of instruments – to build technical and performance skills alongside confidence and creativity, and encourage pursuit of music-based careers, as well as participation in a wide variety of musical experiences.
- Specialist work with SEND/disadvantaged groups – to increase engagement and attainment.
- Specialist work with Early Years settings – to promote a positive start to life and learning.
- Our Music School – to support lifelong learning and encourage the love of music amongst young people and adults.
- Working with adults – to promote wellbeing and positive mental health in later life.
- Bespoke consultancy, advice and professional development programmes – enabling school leaders, educators and governors to raise attainment levels, and develop and implement initiatives that improve health, wellbeing, standards and outcomes to ensure all children and young people realise their full potential academically, physically and emotionally.
- To enable schools, wider educational settings, and those organisations working with children and young people to develop safeguarding policy and practice that ensures the needs of all are recognised and met efficiently and effectively.
- Support, guidance, and development activities to those in the earliest stages of their teaching career to enable them to become highly skilled, leading-edge practitioners.

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Our Values

Our values are extremely important to us as these underpin our vision and mission:

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CHAIR'S INTRODUCTION

Welcome to our 2024/25 Annual Report and Accounts.

This has been an invigorating year with several stand-out moments where we have pioneered new initiatives, celebrated our successes and successfully managed competing priorities.

We have had the opportunity to reflect on our past by reviewing the outcomes of our previous five-year strategy whilst also contemplating the future with the publication in September of our new 2025–2028 Strategy. This shifts from a five-year to a three-year planning horizon – reflecting a deliberate move towards greater agility and responsiveness in a rapidly changing educational landscape.

The new strategy was shaped through extensive stakeholder engagement and focuses on excellence, collaboration, and meaningful impact for children, young people, and educators in Birmingham and further afield.

I am deeply grateful for the contributions of our external stakeholders and colleagues whose insights and feedback have been invaluable in helping our Board of Trustees and Senior Leadership Team shape a strategy that is both grounded and forward-looking.

We couldn't do the work we do without the support of multiple stakeholders, friends and supporters across Birmingham and beyond – thank you.

Together, ***we're bringing music and learning to life.***

Martin Hall

Chair of Trustees

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TRUSTEES REPORT

The Trustees and Directors of Services For Education Limited present their annual and strategic report and audited financial statements for the year ended 31 August 2025. The company trades under the name Services For Education (SFE) and will be referred to as SFE in the rest of this document.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Our Approach to Safeguarding

All staff undertake annual safeguarding training; for some experienced colleagues this will be refresher training. This is now offered as face-to-face training every year and is supplemented by the SFE online training course for those who cannot attend. All Music Staff also receive on-going face to face/online update training to help keep safeguarding at the forefront of people's thinking and embed a professional curiosity. All new staff are required to undertake the online course before commencing delivery for SFE. We have also introduced new podcasts by way of 'follow up/scenarios that we encounter' to support all staff. The SFE Heads of Service jointly carry out an annual review of all training content to ensure this is in line with current policy and guidance (Keeping Children Safe in Education and Working Together to Safeguard Children). SFE has eight members of staff who are trained as Designated Safeguarding Leads (DSL), two of whom are members of the Senior Leadership Team, and who are required to maintain their status through completing bi-annual update training. These eight members of staff manage all safeguarding queries and concerns, liaising with schools and external agencies as appropriate. SFE's safeguarding policy is reviewed annually to capture all legislative changes.

SFE is represented on the Birmingham Safeguarding in Education group to ensure all company practice is aligned to the Birmingham Safeguarding Children Partnership structures and procedures. All colleagues are required to review key policies and guidance on an annual basis and sign to confirm that they have done so.

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Our Approach to Fundraising

Services For Education is proud to be registered with the Fundraising Regulator, the independent organisation responsible for setting and upholding fundraising standards across the United Kingdom. We remain fully committed to the Fundraising Promise, ensuring that all our fundraising activities are conducted legally, transparently, ethically, and with respect. This and last year, we reviewed and updated our fundraising policies to ensure full alignment with the Regulator's refreshed standards.

We continue to work closely with an external fundraising consultant and bid writer who supports our grants and trusts programme, which remains our primary source of fundraising income. As we look ahead to 2026, our focus will be on strengthening our individual, corporate, and community fundraising by developing more engaging, story led and impact driven communications. This approach will help us build deeper, more meaningful relationships with donors, moving beyond a transactional approach to one rooted in shared purpose and long-term connection.

In 2024/25 SFE received no complaints about its fundraising activity.

Our Approach to Quality

We pride ourselves in the quality of our services and the professionalism and skills of our highly talented colleagues. As we teach music to 28,000 children per week and deliver an extensive portfolio of training and consultancy products to school leaders, it is essential that our customer facing teams keep at the forefront of developments and best practice in their fields. These colleagues are supported by several teams of highly skilled individuals without whom their work would not be possible. The importance of quality and continuous improvement is a shared priority across the organisation.

School Support

Over the last 12 months our School Support Service has continued to provide a wide range of products and services using both on-line and some face-to-face delivery. This approach has been informed both by customer feedback but also taking into consideration the subject matter and what is most appropriate for embedding the learning. Safeguarding Audits have proven to be a successful offer for both individual schools and working across Multi Academy Trusts. Delegate feedback is continuing to be closely monitored to ensure the quality of training and testimonials are received following consultancy work. Colleagues continue to be upskilled in digital delivery, to ensure a highly engaging and interactive learning experience as our online offer continues to grow. We have maintained our partnership with BPN, along with enhancing our bespoke, consultancy offer ensuring that Education Advisors remained current in their knowledge and understanding of present education issues impacting schools. This professional development for the School Support team is provided via regular CPD. The School Support Service has also developed its work with our music service, providing on-going safeguarding CPD, and quality assurance of this aspect of work and more recently is contributing to the CPD programme for SFE's music teachers. We maintain a positive working relationship with BCC through our work on the Statutory Assessment Duty. Our work with Mondelez continues to thrive with our Health For Life programme now working with its thirteenth cohort.

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Music

We have continued our series of twilight CPD sessions for primary, secondary and special schools. These take place every term and have seen music coordinators sharing best practice from across the city. Sessions have been run in collaboration with hub partners, and are usually held at the CBSO centre. We delivered our schools' Music Conference face to face in March at the MAC which was attended by 140 delegates. We are delighted to have appointed a number of Lead Schools to deliver our school based CPD from 2025/26. These are a mixture of schools from Primary, Secondary and SEND settings, and will enable our CPD offer to schools to be authentic, pedagogically sound and based on up to date school scenarios.

The CPD sessions across this year have included:

- A focus on high-quality teaching and learning and building and developing partnerships, progression and pathways for ***all*** young people in Birmingham.
- Annual Safeguarding.
- Developing as an inclusive practitioner with practical case-studies from fellow music service colleagues.
- A trauma informed and trauma responsive approach.
- OHMI – How to make your teaching truly adaptable.
- Birmingham Teaching and Learning Framework and A Common Approach 2.0.
- WCIT Training – developing pedagogy.
- Introducing School / Area Ensemble Repertoire.
- Bringing music from all sources alive in the classroom.
- Trinity College and Sounds of Intent Accreditation.
- Creating the ultimate Primary Music Teacher Tool Kit.
- Composition in Primary Schools.
- Leadership/Management training for assistants/LP with Andy Hind.
- Singing – What is a musical school?
- Technology in the classroom – Charanga training.
- What the music curriculum looks like in a special school.
- Online resources.
- Support for ECT teachers in Birmingham.

Our internal music teams have continued to be receptive when focussing their development around the SFE standards. These standards have formed the basis of both PDR and training sessions, with each instrumental department having key standards that their work is based around. This has led to a much more joined up and consolidated approach to staff development, with staff able to see directly how CPD links to their development.

Customer Feedback

Customer feedback is obtained from all course delegates in School Support Service– we asked the respondents to rate their experience of the course across several aspects: trainer delivery, quality of course materials, how well the course met expectations, and overall course rating. The graph below summarises the results. In summary, participants were overwhelmingly satisfied with the course, especially in terms of trainer delivery and overall experience.

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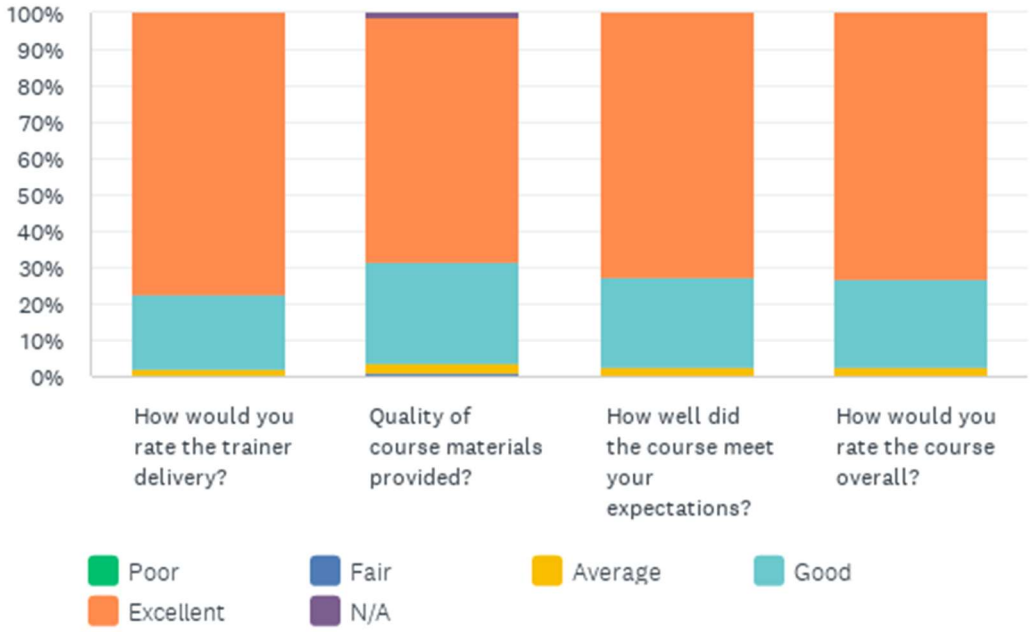

Number of completed responses = 861

As part of our funding agreement with Arts Council England we receive a quarterly feedback letter. During the financial year 2024/25 the risk rating for SFE was 5 (minor risk). Moving forward, although the risk score will continue to be communicated to us, there will not be a formal written report. We continue to have a very strong relationship with Arts Council England, and our Relationship Development Manager (Emma Cook) has been a strong advocate for the work of Birmingham within the ACE structure.

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OUR ACHIEVEMENTS AND PERFORMANCE

The Trustees/Directors have taken note of the Charity Commission's guidance on public benefit in reviewing the aims and objectives and in planning activities. In particular, the Trustees/Directors consider how the planned activities contribute to the charity's aims and objectives, and they ensure these are carried out for the public benefit by delivering services that are valued by the beneficiaries (school, pupils, teachers, parents) and which deliver clear and definable benefit to those beneficiaries.

2024/25

2024/25 is year five of 'Strategy 2025 – Creating Tomorrow Today', which outlined our roadmap for a five-year period.

Our ambitions are:

- To revolutionise educational learning to maximise participation, through
  - principles/evidence led educational practices.
  - great teachers delivering great learning.
  - offering personalised, flexible learning where appropriate.
  - supporting the development of employability and skills.
  - leading edge services and resources.

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- To be a key partner for raising standards and attainment in education in our city, region and nationally, through
  - being the distinctive leader in our sector.
  - providing agile and collaborative (resourceful, bespoke and/or individualised) solutions.
  - leading and stimulating debate on key issues facing the education sector.
  - encouraging widening of participation and development of a love of life-long learning for all ages.
  - developing a sustainable organisation for the long term that allows us to support and progress key initiatives.

- To make important contributions to our society and communities, particularly through our work with disadvantaged groups and young people, through
  - innovation and application of our expertise.
  - making a demonstrable impact.
  - positive alumni and stakeholder engagement.

These ambitions will be delivered through six organisation-wide themes which all our colleagues can relate to in their work. They are intended to deliver a vibrant, resilient, and agile organisation fully equipped to deliver our vision and charitable purpose.

With 2024/25 being the final year of our current strategy, our focus was on reviewing the progress we had made in the period and considering the implications for future plans. We engaged a range of internal and external stakeholders in this work. Within the five years there have been some significant challenges including navigating the post pandemic period and the resulting cost of living crisis. A particular focus in 2024/25 was ensuring we met the requirements of being the Hub Lead Organisation for Birmingham (following a tender exercise in the prior year) and delivering against the requirements of the funding agreement as outlined by Arts Council England.

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Future Plans

Our work is in an ever-changing external environment and so we have developed our next strategic plan to inform a three-year planning horizon 2025-28. Colleagues input was valuable and has informed a clear, one page overview which informs the next period.

MISSION

Our mission is simple: To bring music and learning to life

VISION

We will enrich more lives through the transformative power of music and learning.

STRATEGIC AMBITIONS

By summer 2028, our strategic ambitions are to:

- be a leading organisation in delivering music education and opportunities, inspiring the children, young people and communities of Birmingham in their love of music.
- expand our Advisory Services within and beyond Birmingham, enabling schools and other settings to improve educational and safeguarding outcomes.
- develop additional complementary income streams and strategic partnerships which enable us to further our impact

We will achieve our strategic ambitions by:

- delivering a consistently forward thinking and engaging, high-quality provision, rooted in best practice.
- nurturing a culture at SFE where everyone can thrive and feel proud, driven by our values and common purpose.
- understanding our operations and making responsible investments which will strengthen SFE's financial resilience and maximise value and impact for our stakeholders.
- developing and implementing aligned plans for each team which will contribute to delivering our strategic ambitions.

UNDERPINNING PRINCIPLES

Understanding and respecting all: we are an organisation that values diversity, equity, and inclusion and this underpins a culture where everyone can bring their best selves to work.

Enhancing our digital capability: we will invest appropriately in digital tools and technologies to improve efficiency and effectiveness within the organisation.

Commitment to advancing the United Nations Sustainable Development Goals*: we will align our efforts with global sustainability goals which work to further Environmental, Societal and Governance aims.

* United Nations Sustainable Development Goals (UNSDGs) – this a recognised framework for evaluating our sustainable and ethical impact. This incorporates Environmental, Social and Governance (ESG) considerations, as per best practice.

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Sustainability

SFE is committed to identifying areas whereby we can reduce the impact on the environment from our operations and service delivery. We will address this through:

- Developing colleague engagement and involvement.
- Reviewing our approach to timetabling and reducing commutes for staff where possible, in line with business need.
- Reviewing our operational activities through the lens of sustainability, in particular our approach to repairs and replacing instruments.
- Working with suppliers to reduce impact.
- Liaising with our hub partners to identify key areas of environmental impact, and how we can learn lessons from the approaches of others.

During 2024/25 SFE:

- Ensured that only digital programmes were available at all concerts.
- Influenced the packaging of instrument supply to the music education sector through discussions with key suppliers.
- Worked with Veolia/pBone Music to explore the possibility of making musical instruments from recycled ABS plastic waste materials.
- Replaced old emergency lighting units with more energy efficient LED options.
- Reduced use of single-use plastics .
- Ensured old electrical/computer equipment and excess cardboard packaging disposed of responsibly.
- Any musical instrument disposals were managed sustainably via a supplier's recycling scheme.

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RISKS AND UNCERTAINTIES

The Directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A thorough review is undertaken on at least an annual basis, with amendments made during the year as required:

The principal risks identified by the Trustees/Directors are:

- reductions in demand for Music and School Support services, caused by budgetary pressures as schools and other establishments respond to the current economic climate.

  mitigated by: working closely with customers to align delivery to their circumstances, regularly monitoring developments in the Education sector in order to respond/adapt our approaches.

- reductions in funding for music in schools through the Arts Council Grant and/or reductions in school funding which will result in reduced ability or willingness to purchase SFE's services.

  mitigated by: expansion of services both in type of service and the geographical reach of delivery. Advocacy of the benefits and impact of SFE's services.

- changes in education policy impacting income streams in the School Support Service.

  mitigated by: close monitoring of education landscape.

- significant increases in core costs such as rent, utilities, employment costs, cost of musical instruments purchase and repair.

  mitigated by: active management of suppliers and monitoring of costs through a robust budget planning and management approach.

- effective cash management to match the SFE business cycle and episodic revenue profile .

  mitigated by: close and frequent cash position monitoring combined with highly proactive invoice payment management and debt collection. Surplus cash balances are proactively invested in fixed-term deposit accounts via a savings platform operated by Flagstone Group Ltd whilst interest rates remain strong. Deposits span a variety of maturity dates (with fixed terms of between 1 and 24 months), which allows SFE to balance day-to-day liquidity requirements alongside realising the benefit of fixed-term investments. Balances are managed to ensure a 70:30 split between short and medium term maturities.

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

General

During 2024/25, our Finance team continued to deliver monthly management accounts to a strict reporting timetable with figures provided to the Senior Leadership Team on the 10th working day after each month end. Two budget reforecasts were performed during 2024/25 after production of December and February actuals providing the Board with updated views of the year end position. These were reviewed in detail at meetings of the Audit and Finance Sub-Committee.

There continues to be a strict focus on credit control. Debtor balances are reviewed at weekly meetings of the Senior Leadership Team and where appropriate customer facing colleagues are engaged in assisting recovery of difficult debts. Tracking debtor days on a weekly basis has continued which have consistently remained around 33 days during the year.

During 2024/25 we were able to continue placing cash on short term deposit in our Charities Aid Foundation account using their portal with Flagstone. Deposits were placed on a range of terms with an emphasis of maximising return at minimal risk. Interest received via these deposits amounted to £113,515 (2024: £106,668). The balance remaining on deposit at 31 August 2025 stood at £ 2,719,810 (2024: £2,297,287).

The statement of financial activities shows a net income for the year of £135,829 (2024: £157,522). The net income on unrestricted funds was £125,994 (2024: £169,173) and there was a net income of £9,835 on restricted funds (2024: net expenditure of £11,651).

Reserves

It is the policy of the Board that cumulative unrestricted funds available to cover six months staff costs should be maintained. This reserves policy is reviewed annually by the Board in order to ensure its adequacy in relation to the scale of the Company's operations.

During the year ended 31 August 2025, six months staff costs amounted to £2,781,714 (2024: £2,730,758). As at 31 August 2025 there were unrestricted funds carried forward of £2,955,692 (2024: £2,829,698), which is deemed sufficient to cover six months staff costs hence the reserves policy has been met. The Trustees are comfortable that the current level of available funds would continue to cover six months staff costs given current staffing levels. Trustees continue to take a cautious approach to reserves given the underlying economic climate and in due course plan to adopt a risk-based approach to the reserves policy. A new policy was introduced in 2024/25 to allow grant proposals to be enhanced with a matched funding from SFE reserves. This has been capped at £75k.

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Going Concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2025/26 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due, albeit that a deficit budget was agreed. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required. In recent years, the reforecasts have always led to an improved position (often as a result of actual music order book being known and/or some operational cost savings).

The Directors have paid close attention to the education landscape and the financial pressures faced by schools (the key customer group). School orders have been closely monitored, particularly in view of the ongoing cost of living crisis and the related pressure on school budgets. Income within school support is linked to national education policy and priorities, and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

General

Services For Education (formerly S4E Limited) is a registered charity in England and Wales (No. 1148848) and a company (No. 07739831) limited by guarantee. It was set up by a Memorandum of Association on 15 August 2011 and is governed by its Memorandum and Articles of Association.
Services For Education (SFE) is a unique charity that uses the power of learning and music to create and build confidence amongst children, young people, adults and communities. We aim to bring learning and music to life.

The principal objects of the company are:

- the advancement of education, particularly through the promotion of high-quality teaching and learning.
- the advancement of the care, safety and upbringing of children and young people by:
    - supporting and assisting those in need, their families and carers
    - promoting their health
    - advancing their education
- the advancement of the arts and culture, particularly through the promotion and teaching of music.
- everything we do is delivered with passion and care.

The company continues to focus on the quality of all services provided and to seek to expand both the range of services as well as their geographical reach.

The Board

The Board of Trustees is responsible for the overall governance of Services For Education and meet at least bi-monthly during the year. Two sub-committees of the Board exist: the Hub Lead Organisation Board (formerly Birmingham Music Education Partnership sub-committee) and the Finance and Audit sub-committee. Trustees are generally asked to join one of these after a couple of months in role, according to their areas of interest and expertise. New trustees are elected and co-opted under the terms of the Articles of Association and following an open recruitment process. The Board of Trustees is chaired by Martin Hall.

New trustees undertake a comprehensive induction process, which includes meetings with each member of the Senior Leadership Team and follow up meetings as required.

The membership of the Hub Lead Organisation (HLO) Board will increase during 2025/26 to include representatives from amongst the wider stakeholders of SFE (in addition to Trustees). This wider membership, along with an Independent Chair, is a requirement from Arts Council England to ensure good governance and scrutiny of public funding. Martina Gallagher was appointed as Independent Chair, on 17 June 2025. replacing Steve Ball who resigned on the 11 February 2025. In the interim period, one of our Board of Trustees, Joanna Cooney, fulfilled this position.

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Strategic management

Chief Executive

Authority to conduct the day-to-day activities of Services For Education is delegated to the Chief Executive, Sharon Bell, who is responsible for ensuring that the agreed strategy is implemented, and the necessary controls are in place to govern the organisation.

The Chief Executive is supported by the Senior Leadership Team (SLT) which comprises Lindsay Allen (HR Director); Tracy Carlton (Director of Marketing and Business Development); Richard Mabbott (Head of Music Service); Jo Perrin (Interim School Support Lead); Sarah Marshall (Head of Shared Services); and Carl Black (Finance Manager).

The Senior Leadership Team meets weekly, with additional monthly sessions focussing on strategy and long-term planning. A Strategic Oversight Group meets on a fortnightly basis, comprising three members of the Senior Leadership Team.

Remuneration Policy for Key Personnel

The remuneration of the Chief Executive is set by the Board of Trustees/Directors based on advice from market recruitment specialists.

The remuneration of senior staff is set by the Chief Executive in consultation with the Chair of Trustees and is based on both advice from market recruitment specialists and on industry benchmarks within the charitable sector depending on the discipline of the employee.

Employees

During the FY2024/25 period, Services For Education employed 208 staff on average.

Regular weekly communications include a weekly written communication (In The Know) issued on a Wednesday. This is complemented by a monthly video briefing lead by the Chief Executive – whilst informal in style it follows a common structure.

Staff Forum meetings are normally held bi-monthly, with additional meetings as required. Minutes from all Staff Forum meetings are shared with staff, normally within 2 weeks of the meeting date, and archive copies are available through the SFE SharePoint pages at any time. Through these methods and local/departmental updates, colleagues have received regular and consistent information on business performance. Planned social gatherings in December 2024 and July 2025 were warmly received by staff.

66.7% of colleagues competed the staff survey in January 2025 (2024: 63.9%, 2023: 70.6%), resulting in an engagement score of 62% (2024: 73%, 2023: 72%). Working with the external provider to ensure colleague anonymity, the survey structure has enabled the findings to be reviewed through different lenses, including down to departmental level. This has enabled action planning to be built on the results seen at a local level and encourage engagement through departmental managers. Recognising the importance of the role of the line manager in positive employee engagement, line managers are actively involved in the development and cascade of the survey, alongside being supported with their action planning and accompanying implementation.

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Diversity and Inclusion

SFE is committed to valuing diversity, encouraging inclusion and eliminating discrimination in both its role as an employer and as a provider of services. Our aim is that our employees are truly representative of the communities we engage with and work in an environment where everyone is respected and able to perform to the best of their ability.

Our policy is to provide equality and fairness for all in our employment and in our provision of services, and not to discriminate on grounds of gender, marital status, race, ethnic origin, nationality, disability, sexual orientation, religion or age.

SFE opposes all forms of unlawful and unfair discrimination. It is our policy to provide a suitable environment for people with disabilities. All reasonable facilities will be provided for employees with disabilities to perform their roles without difficulty or disadvantage. SFE is also supportive of our neurodiverse workforce and are continually developing our approach to ensuring all colleagues feel able to adjust their working arrangements to suit their needs, be this in connection with neurodiversity, menopause or other factors.

We will not tolerate direct or indirect discrimination against any person on grounds of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation, whether in the field of recruitment, terms and conditions of employment, career progression, training, transfer or dismissal.

It is also the responsibility of all employees in their daily actions, decisions and behaviour, to endeavour to promote these concepts, to comply with all relevant legislation and to ensure they do not discriminate against colleagues, customers, suppliers or any other person associated with the business.

In adopting these principles, SFE:

- will not tolerate acts that breach this policy and all such breaches or alleged breaches will be taken seriously, fully investigated and may be subject to disciplinary action, where appropriate.
- fully recognises its legal obligations under all relevant legislation and codes of practice.
- will allow staff to pursue any matter through the internal procedures which they believe has exposed them to inequitable treatment within the scope of this policy. Copies of these procedures are available to all staff through the website.
- will ensure that all managers understand and maintain their responsibilities and those of their team under this policy.
- will offer opportunities for flexible working patterns, wherever operationally feasible, to help employees to combine a career with their domestic responsibilities.
- will provide equal opportunity to all who apply for vacancies through open competition.
- will select candidates only on the basis of their ability to carry out the job, using a clear and open process.
- will provide all employees with the training and development they need to carry out their job effectively.
- will provide all reasonable assistance to employees who are or who become disabled, making reasonable adjustments wherever possible to provide continued employment. We will ensure an appropriate risk assessment is carried out and that appropriate specialist advice is obtained when necessary.
- will distribute and publicise this policy statement throughout the company.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Directors (who are also Trustees of SFE for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments and accounting 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.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

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DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed:

- That so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditor in connection with preparing this report and to establish that the charitable company's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:
Martin Hall
CE33AAAA9DDD48D...

Martin Hall
Chair of Trustees

Date: 23 March 2026

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED

Opinion

We have audited the financial statements of Services for Education Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

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 contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

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:

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statement we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, date protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

Use of our report

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

Signed by:
Glen Bott
EBB150CA03A04AB...

Glen Bott (Senior statutory auditor)
for and on behalf of
Cooper Parry Group Limited
Statutory Auditor
Cubo Birmingham
4th Floor
Two Chamberlain Square Birmingham
B3 3AX

Date: 21 April 2026

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	19,695	2,057,448	2,077,143	2,037,597
Charitable activities	5	4,966,478	-	4,966,478	4,946,857
Investment income	6	128,356	-	128,356	119,843
Total income		5,114,529	2,057,448	7,171,977	7,104,297
Expenditure on:					
Charitable activities	7	4,988,535	2,047,613	7,036,148	6,946,775
Total expenditure		4,988,535	2,047,613	7,036,148	6,946,775
Net movement in funds		125,994	9,835	135,829	157,522
Reconciliation of funds:					
Total funds brought forward		2,829,698	40,901	2,870,599	2,713,077
Net movement in funds		125,994	9,835	135,829	157,522
Total funds carried forward		2,955,692	50,736	3,006,428	2,870,599

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 28 to 43 form part of these financial statements.

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REGISTERED NUMBER: 07739831

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	11		142,535		227,237
			142,535		227,237
Current assets					
Debtors	12	964,710		692,136	
Cash at bank and in hand		3,541,635		3,312,437	
		4,506,345		4,004,573	
Current liabilities					
Creditors: amounts falling due within one year	13	(1,642,452)		(1,361,211)	
Net current assets			2,863,893		2,643,362
Total assets less current liabilities			3,006,428		2,870,599
Net assets excluding pension asset			3,006,428		2,870,599
Total net assets			3,006,428		2,870,599
Charity funds					
Restricted funds	14		50,736		40,901
Unrestricted funds	14		2,955,692		2,829,698
Total funds			3,006,428		2,870,599

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
Martin Hall
CE33AAAA9DDD48D...

Martin Hall
Chair of Trustees

Date: 23 March 2026

The notes on pages 28 to 43 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	16	238,144	374,554
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(8,946)	(6,964)
Net cash used in investing activities		(8,946)	(6,964)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		229,198	367,590
Cash and cash equivalents at the beginning of the year		3,312,437	2,944,847
Cash and cash equivalents at the end of the year	17	3,541,635	3,312,437

The notes on pages 28 to 43 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. General information

Services For Education Limited is a charitable company limited by guarantee and registered and domiciled in England. The address of the registered office is Unit 3, Holt Court, Holt Street, Birmingham Science Park, Aston, Birmingham, B7 4AX.

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Services For Education Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2025/26 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required.

The Directors have paid close attention to the education landscape and the financial pressures faced by schools (the key customer group). School orders have been closely monitored, particularly in view of the current cost of living crisis and the related pressure on school budgets. Music delivery has now exceeded pre pandemic levels, although prices have not risen in line with inflation mindful of the need to ensure affordability. Income within school support is linked to national education policy and priorities, and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income for services is recognised in the Statement of Financial Activities on a receivable basis on completion of the service.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the term of the lease
Fixtures and fittings	- 25% on a straight line basis
Computer equipment	- 33.3% on a straight line basis
Music instruments	- 10%-13.3% on a straight line basis

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include depreciation rates for tangible fixed assets and their residual values.

4. Income from donations and legacies

	Unrestricted funds 2025	Restricted funds 2025	Total funds 2025
	£	£	£
Donations	19,695	27,922	47,617
Grants	-	2,029,526	2,029,526
	19,695	2,057,448	2,077,143

Included within Grants there is £2,029,526 from Arts Council England.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

4. Income from donations and legacies (continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	14,466	53,402	67,868
Grants	-	1,969,729	1,969,729
	14,466	2,023,131	2,037,597

Included with Grants there is £1,969,729 from Arts Council England.

5. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £
Music	4,273,791	4,273,791
School support	692,687	692,687
Other	-	-
	4,966,478	4,966,478

	Unrestricted funds 2024 £	Total funds 2024 £
Music	4,183,255	4,183,255
School support	763,227	763,227
Other	375	375
	4,946,857	4,946,857

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Investment income	128,356	128,356

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income - local cash	119,843	119,843

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Music	4,654,187	1,646,648	6,300,835
School support	507,407	226,386	733,793
Other	-	1,520	1,520
	5,161,594	1,874,554	7,036,148

Of the total expenditure of £7,036,148 during the year, £4,988,535 was unrestricted and £2,047,613 was restricted.

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Music	4,600,118	1,552,654	6,152,772
School support	564,136	228,960	793,096
Other	-	907	907
	5,164,254	1,782,521	6,946,775

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

7. Analysis of expenditure by activities (continued)

Of the total expenditure of £6,946,775 in the prior year, £4,911,993 was unrestricted and £2,034,782 was restricted.

Analysis of direct costs

	Direct costs - Music 2025 £	Direct costs - School Support 2025 £	Total funds 2025 £
Staff costs	4,117,445	437,702	4,555,147
Depreciation	87,269	-	87,269
Music resources	30,543	-	30,543
Performance costs	194,694	-	194,694
Venue hire	113,398	-	113,398
Project costs	-	40,950	40,950
Travel & subsistence	40,175	-	40,175
Training	7,728	-	7,728
Consultancy	62,935	28,755	91,690
	4,654,187	507,407	5,161,594

	Direct costs - Music 2024 £	Direct costs - School Support 2024 £	Total funds 2024 £
Staff costs	4,041,779	490,032	4,531,811
Depreciation	124,003	-	124,003
Music resources	32,187	-	32,187
Performance costs	181,046	-	181,046
Venue hire	131,501	350	131,851
Project costs	-	37,800	37,800
Travel & subsistence	38,992	-	38,992
Training	5,260	-	5,260
Consultancy	45,350	35,954	81,304
	4,600,118	564,136	5,164,254

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct costs - Music 2025 £	Direct costs - School Support 2025 £	Direct costs - Other 2025 £	Total funds 2025 £
Staff costs	887,286	120,994	-	1,008,280
Other staff costs	107,214	14,620	-	121,834
Depreciation	5,614	766	-	6,380
Project costs	13,629	5,326	-	18,955
Travel & subsistence	4,316	589	-	4,905
Training	37,112	5,061	-	42,173
Office costs	70,973	8,051	-	79,024
Premises costs	262,579	35,806	-	298,385
Insurance	25,313	3,452	-	28,765
Marketing and publicity	52,028	7,095	-	59,123
Professional fees	32,182	4,389	-	36,571
Bank charges	5,359	731	1,520	7,610
Irrecoverable VAT	129,447	17,652	-	147,099
Governance costs	13,596	1,854	-	15,450
	1,646,648	226,386	1,520	1,874,554

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Direct costs - Music 2024 £	Direct costs - School support 2024 £	Direct costs - Other 2024 £	Total funds 2024 £
Staff costs	818,141	111,565	-	929,706
Other staff costs	105,750	14,421	-	120,171
Depreciation	5,272	719	-	5,991
Project costs	35,927	18,356	-	54,283
Travel & subsistence	2,992	408	-	3,400
Training	42,518	5,798	-	48,316
Office costs	91,736	16,286	-	108,022
Premises costs	213,426	29,103	-	242,529
Insurance	24,673	3,365	-	28,038
Marketing and publicity	55,824	7,612	-	63,436
Professional fees	27,382	3,734	-	31,116
Bank charges	4,198	573	907	5,678
Irrecoverable VAT	111,835	15,250	-	127,085
Governance costs	12,980	1,770	-	14,750
	1,552,654	228,960	907	1,782,521

8. Auditor's remuneration

	2025 £	2024 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	14,150	13,500
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	1,300	1,250

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

9. Staff costs

	2025 £	2024 £
Wages and salaries	4,737,619	4,697,080
Social security costs	433,660	370,996
Contribution to defined contribution pension schemes	392,148	393,441
	5,563,427	5,461,517

During the year the Charity incurred a total of £18,200 (2024: £Nil) in redundancy payments to 1 (2024: Nil) employee.

The average number of persons employed by the Company during the year was as follows:

	2025 No.	2024 No.
Music	180	190
School support	7	8
Administration	20	21
Fundraising	1	1
	208	220

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	1	3
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	1	-

The total employee benefits received by key management personnel in the year was £596,561 (2024: £614,347).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 August 2025, no Trustees expenses have been incurred (2024 - £42.70).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

11. Tangible fixed assets

	Short-term leasehold property	Fixtures and fittings	Computer equipment	Musical Instruments	Total
	£	£	£	£	£
Cost or valuation					
At 1 September 2024	93,406	150,079	93,919	3,265,298	3,602,702
Additions	-	8,946	-	-	8,946
Disposals	-	(13,164)	(93,919)	(51,042)	(158,125)
At 31 August 2025	93,406	145,861	-	3,214,256	3,453,523
Depreciation					
At 1 September 2024	93,406	137,915	93,919	3,050,225	3,375,465
Charge for the year	-	6,379	-	87,269	93,648
On disposals	-	(13,164)	(93,919)	(51,042)	(158,125)
At 31 August 2025	93,406	131,130	-	3,086,452	3,310,988
Net book value					
At 31 August 2025	-	14,731	-	127,804	142,535
At 31 August 2024	-	12,164	-	215,073	227,237

12. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	720,516	578,643
Other debtors	1,074	1,444
Prepayments and accrued income	243,120	112,049
	964,710	692,136

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

13. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	37,383	79,328
Other creditors	188,922	173,663
Accruals and deferred income	1,416,147	1,108,220
	1,642,452	1,361,211

	2025 £	2024 £
Deferred income at 1 September 2024	920,008	1,060,392
Resources deferred during the year	1,424,685	1,052,040
Amounts released from previous periods	(1,183,888)	(1,192,424)
	1,160,805	920,008

Deferred income relates to income received in advance of service delivery for 2025/2026.

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Balance at 31 August 2025 £
Unrestricted funds				
General Funds - all funds	2,829,698	5,114,529	(4,988,535)	2,955,692
Restricted funds				
Arts Council England	-	1,959,449	(1,959,449)	-
Arts Council England Capital Fund	-	70,077	(70,077)	-
Other	40,901	27,922	(18,087)	50,736
	40,901	2,057,448	(2,047,613)	50,736
Total of funds	2,870,599	7,171,977	(7,036,148)	3,006,428

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Unrestricted funds				
General Funds - all funds	2,660,525	5,081,166	(4,911,993)	2,829,698
Restricted funds				
Arts Council England	-	1,969,729	(1,969,729)	-
Other	52,552	53,402	(65,053)	40,901
	52,552	2,023,131	(2,034,782)	40,901
Total of funds	2,713,077	7,104,297	(6,946,775)	2,870,599

Arts Council England fund is core grant funding to support delivery of the music service.

Arts Council England capital fund is for the purchase of musical instruments, equipment and technology, including adapted/adaptive instruments for children and young people with special educational needs and/or disabilities and provision for music technology.

Other restricted funds are an aggregate of smaller donations for specific aspects of our services.

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	142,535	-	142,535
Current assets	4,455,609	50,736	4,506,345
Creditors due within one year	(1,642,452)	-	(1,642,452)
Total	2,955,692	50,736	3,006,428

Docusign Envelope ID: FCC52E6F-0855-4B11-ADE0-6B8180E1720D

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	227,237	-	227,237
Current assets	3,963,672	40,901	4,004,573
Creditors due within one year	(1,361,211)	-	(1,361,211)
Total	2,829,698	40,901	2,870,599

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	135,829	157,522
Adjustments for:		
Depreciation charges	93,648	129,994
Decrease/(increase) in debtors	(272,574)	198,988
Increase/(decrease) in creditors	281,241	(111,950)
Net cash provided by operating activities	238,144	374,554

17. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	3,541,635	3,312,437
Total cash and cash equivalents	3,541,635	3,312,437

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

18. Analysis of changes in net debt

	At 1 September 2024	Cash flows	At 31 August 2025
	£	£	£
Cash at bank and in hand	3,312,437	229,198	3,541,635
	3,312,437	229,198	3,541,635

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £392,148 (2024: £393,441).

20. Operating lease commitments

At 31 August 2025 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025	2024
	£	£
Not later than 1 year	89,656	94,487
Later than 1 year and not later than 5 years	801	90,457
	90,457	184,944

During the year £94,487 (2024: £44,536) has been recognised as an expense in the Statement of financial activities.

21. Related party transactions

There have been no related party transactions which require disclosure.

Services For Education Limited

England & Wales - Charity number 1148848

Accounts

Docusign Envelope ID: DE149A08-0836-4070-A8DD-52AA757BBDC6

Company number: 07739831
Charity number: 1148848

Services For Education

TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

Docusign Envelope ID: DE149A08-0836-4070-A8DD-52AA757BBDC6

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2024

Trustees	Martin Hall, Chair Sarah Smith Laura Williams (resigned 18 March 2024) Shimri Vachter (appointed 19 March 2024, resigned 20 February 2025) David Bolton Paul Stone Joanna Cooney Jory Debenham Jamie Barry (resigned 17 July 2024) Peter Borg-Bartolo
Company registered number	07739831
Charity registered number	1148848
Registered office	Unit 3, Holt Court Holt Street Birmingham B7 4AX
Company secretary	David Alcock
Chief executive officer	Sharon Bell
Independent auditor	Cooper Parry Group Limited Statutory Auditor Cubo Birmingham Two Chamberlain Square Birmingham B3 3AX

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WHY WE EXIST

Our Vision and Mission

Services For Education is a unique charity that uses the power of learning and of music to transform and enhance the lives of children, young people, adults, and our wider communities.

We bring learning and music to life.

Our work encompasses a broad range of settings, including:

- Teaching pupils learning vocal and a diverse range of instruments – to build technical and performance skills alongside confidence and creativity, and encourage pursuit of music-based careers, as well as participation in a wide variety of musical experiences.
- Specialist work with SEND/disadvantaged groups – to increase engagement and attainment
- Specialist work with Early Year settings – to promote a positive start to life and learning
- Our Music School – to support lifelong learning and encourage the love of music amongst young people and adults
- Working with adults – to promote wellbeing and positive mental health in later life
- Bespoke consultancy, advice and professional development programmes – enabling school leaders, educators and governors to raise attainment levels, and develop and implement initiatives that improve health, wellbeing, standards and outcomes to ensure all children and young people realise their full potential academically, physically and emotionally.
- To enable schools, wider educational settings, and those organisations working with children and young people to develop safeguarding policy and practice that ensures the needs of all are recognised and met efficiently and effectively.
- Support, guidance, and development activities to those in the earliest stages of their teaching career to enable them to become highly skilled, leading-edge practitioners.

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Our Values

Our values are extremely important to us as these underpin our vision and mission:

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CHAIR'S INTRODUCTION

Welcome to our 2023/24 Annual Report and Accounts.

We have enjoyed another incredible year and been encouraged to see the impact of our work across the City of Birmingham and further afield.

Some of the greatest memories include the smiles of delighted school children as they come together to make music, the positive response from schools and their staff to our training courses - and the joy we witness in the community when supporting adults facing challenges and disadvantage. These are the reason why we exist.

We have been appointed by Arts Council England as one of 43 new Music Hub Lead Organisations in England as part of a national programme to provide high-quality music education for all children and young people. This is great news for us and Birmingham, and a reflection of the tremendous efforts made by all our staff. Our Music Service has increased the number of free music ensembles to 113 to embrace music of all types and genres. Ensembles enable children to play music with their peers and perform at concerts including our Youth Proms, Spring and Festive Concerts – all joyous events.

In November 2023 our 120-strong Birmingham Schools' Symphony Orchestra and our Azaad Dhol Drumming Group performed before an audience of 5,000 proudly representing Birmingham at the Music for Youth Proms at London's Royal Albert Hall.

We have been recognised in the Music and Drama Awards where our partnership with Soundabout was judged overall winner for Excellence in SEND.

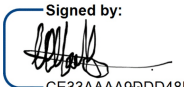
Our School Support team has further developed its courses, conferences and webinars covering subjects ranging from mental health & wellbeing to statutory assessment ensuring schools, trustees and governors have expert informed resources. Our inaugural Reading Conference for Primary Teachers received great feedback. One delegate, an Assistant Headteacher, paid tribute to the "amazing speakers and subject areas to help get a whole array of information about the important and relevant aspects of reading". An impressive 96% of Headteachers rated our training as meeting or exceeding expectations.

Meanwhile, our Health for Life programme, now in its thirteenth year, encouraged 3,000 children and their families to enjoy a proactive approach to developing a healthy lifestyle, supported by Michelin-trained chef and internet sensation, Poppy O'Toole.

We were also delighted to be judged Training Provider/Educational Establishment of the Year in the Midlands Service Excellence Awards - another great accolade to our staff and their work.

I am grateful for all the commitment and enthusiasm of colleagues, trustees, partners and stakeholders – as well as donors and funders including Arts Council England, businesses and individuals, without whom our work would not be possible.

Signed by:



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Martin Hall

Chair of Trustees

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TRUSTEES REPORT

The Trustees and Directors of Services For Education Limited present their annual and strategic report and audited financial statements for the year ended 31 August 2024. The company trades under the name Services For Education (SFE) and will be referred to as SFE in the rest of this document.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Our Approach to Safeguarding

All staff undertake annual safeguarding training; for some experienced colleagues this will be refresher training. This is now offered as face-to-face training every year and is supplemented by the SFE online training course for those who cannot attend. All Music Staff also receive on-going face to face/online update training to help keep safeguarding at the forefront of people's thinking and embed a professional curiosity. All new staff are required to undertake the online course before commencing delivery for SFE. This is the minimum requirement and, this year, we have introduced mid-year face-to-face safeguarding training to these same staff. We have also introduced new podcasts by way of 'follow up/scenarios that we encounter' to support all staff. The SFE Heads of Service jointly carry out an annual review of all training content to ensure this is in line with current policy and guidance (Keeping Children Safe in Education and Working Together to Safeguard Children). SFE has six members of staff who are trained as Designated Safeguarding Leads (DSL), two of whom are members of the Senior Leadership Team, and who are required to maintain their status through completing bi-annual update training. These six members of staff manage all safeguarding queries and concerns, liaising with schools and external agencies as appropriate. SFE's safeguarding policy is reviewed annually to capture all legislative changes.

SFE is represented on the Birmingham Safeguarding in Education group to ensure all company practice is aligned to the Birmingham Safeguarding Children Partnership structures and procedures. All colleagues are required to review key policies and guidance on an annual basis and sign to confirm that they have done so.

Our Approach to Fundraising

Services For Education is proud to be registered with the Fundraising Regulator, the independent body which sets and maintains the standards for fundraising in the United Kingdom. We are committed to the Fundraising Promise to ensure our fundraising activities are legal, open, honest, and respectful. This year, we reviewed and updated our fundraising policies to ensure that we are aligned with the Fundraising Regulator's set of updated standards.

We work closely with an external fundraising consultant bid writer who supports our grants and trusts activity which is currently our main fundraising income generation stream. Moving into 2025, we will be focussing on enhancing our individual, corporate and community impact by continuing to create more

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compelling story-based and outcome-based communications so that we start to build a relationship with our donors rather than just being transactional in our approach.

In 2023/24 SFE received no complaints about its fundraising activity.

Our Approach to Quality

We pride ourselves in the quality of our services and the professionalism and skills of our highly talented colleagues. As we teach music to 32,000 children per week and deliver an extensive portfolio of training and consultancy products to school leaders, it is essential that our customer facing teams keep at the forefront of developments and best practice in their fields. These colleagues are supported by several teams of highly skilled individuals without whom their work would not be possible. The importance of quality and continuous improvement is a shared priority across the organisation.

School Support

Over the last 12 months School Support Services has continued to provide a wide range of products and services using both on-line and some face-to-face delivery. This approach has been informed both by customer feedback but also taking into consideration the subject matter and what is most appropriate for embedding the learning. Delegate feedback is continuing to be closely monitored to ensure the quality of training and testimonials are received following consultancy work. Colleagues continue to be upskilled in digital delivery, to ensure a highly engaging and interactive learning experience as our online offer continues to grow. We have maintained our partnership with BPN, along with enhancing our bespoke, consultancy offer ensuring that Education Advisors remained current in their knowledge and understanding of present education issues impacting schools. This professional development for the School Support team is provided via half termly CPD. The School Support Service has also developed its work with our music service, providing on-going safeguarding CPD, and quality assurance of this aspect of work and more recently is contributing to the CPD programme for SFE's music teachers. We maintain a positive working relationship with BCC through our work on both the Statutory Assessment Duty and SACRE. Our work with Mondelez continues to thrive with our Health For Life programme now working with its thirteenth cohort.

Music

We have continued our series of twilight CPD sessions for primary, secondary and special schools. These take place every term and have seen music coordinators sharing best practice with each other and having opportunities to share best practice. Sessions have also seen us supporting them with composition from hub partners Birmingham Contemporary Music Group (BCMG) and singing with our vocal team and Ex Cathedra (hub partners). We delivered our schools' Music Conference face to face in March at the MAC. We looked at the level of need required from schools and provided CPD for SFE staff and school-based colleagues on:

- National Plan For Music Education 2 & Model Music Curriculum – SFE's response and how staff need to adapt
- A focus on high-quality teaching and learning and building and developing partnerships, progression and pathways for ***all*** young people in Birmingham
- Annual Safeguarding

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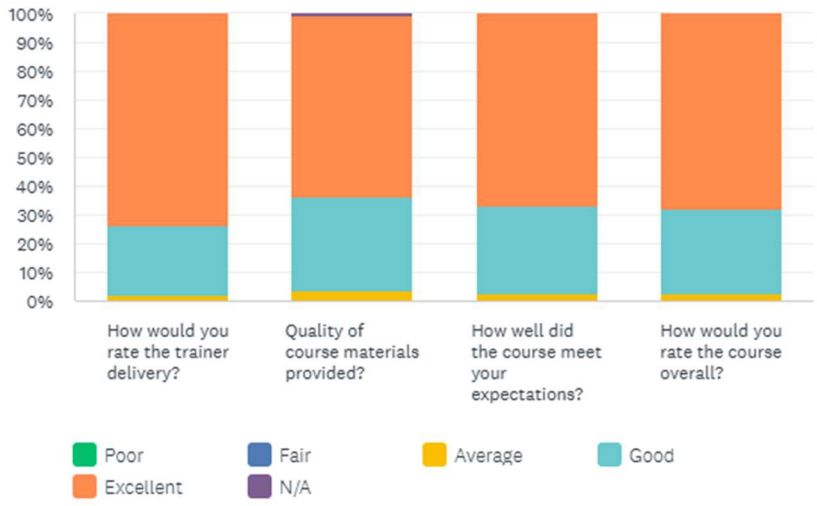
- Developing as an inclusive practitioner with practical case-studies from fellow music service colleagues
- A trauma informed and trauma responsive approach
- Birmingham Teaching and Learning Framework and A Common Approach 2.0
- WCIT Training – developing pedagogy
- Introducing School / Area Ensemble Repertoire
- Bringing music from all sources alive in the classroom
- Trinity College and Sounds of Intent Accreditation
- Creating the ultimate Primary Music Teacher Tool Kit
- Awards for Young Musicians (AYM) acclaimed Identifying Musical Talent and Potential
- Composition in Primary Schools
- Leadership/Management training for assistants/LP with Andy Hind
- Singing – What is a musical school?
- Technology in the classroom – Charanga training
- Building a music curriculum – for secondary teachers aligning to NPME2
- What the music curriculum looks like in a special school
- Online resources
- Support for ECT teachers in Birmingham

We continue to improve and develop our 'in house' CPD with the wider music team. Our whole staff and departmental training days have been targeted around the SFE standards. These are based directly on the Teacher Standards and will help to raise the quality of delivery across the entire team. We have also refined our PDR processes to ensure these are aligned to these standards and ensure staff are undertaking training and support that is relevant to them.

Customer Feedback

Customer feedback is obtained from all course delegates in School Support Service– response rates have improved by collecting feedback online. Throughout the move to online delivery the feedback from course delegates has remained positive with 98% of delegates rating trainer delivery as excellent (74%) or good, and 97% rating the course overall as excellent (68%) or good.



Number of completed responses = 1,783

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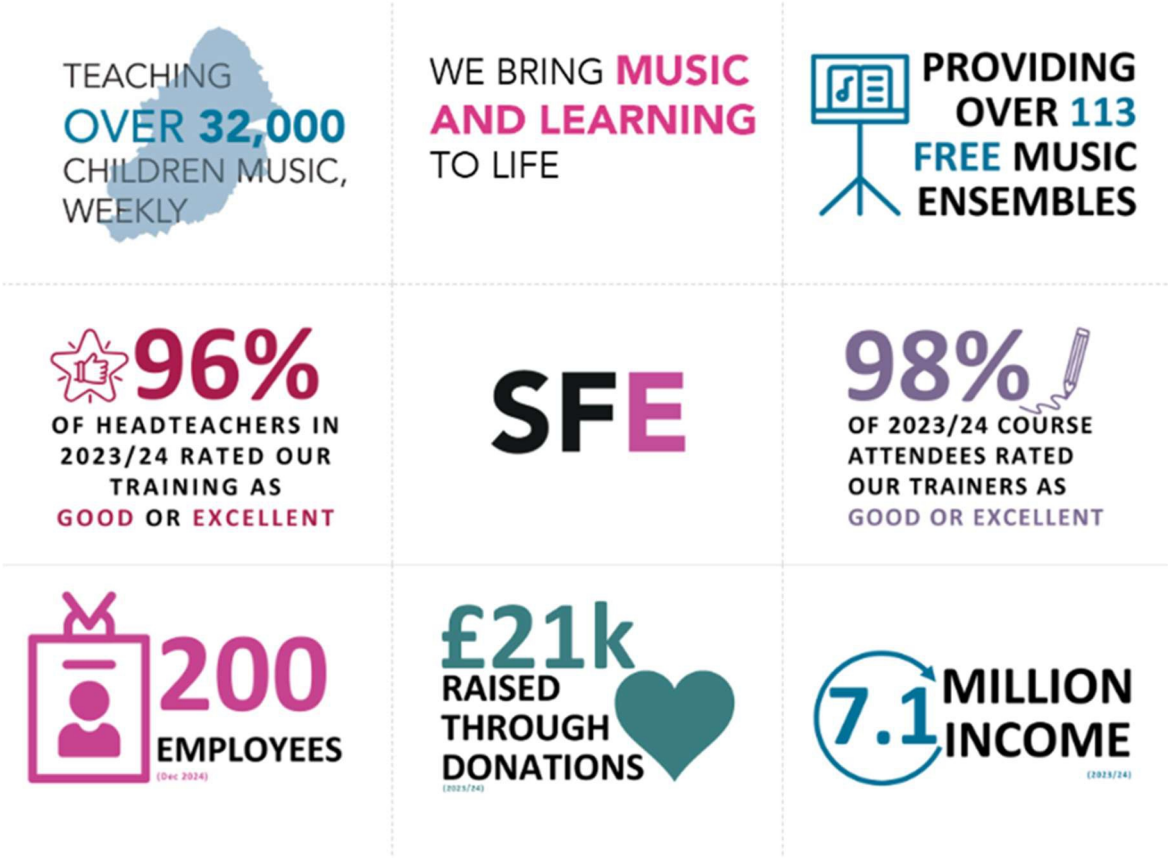
Our music provision is informally benchmarked in regular conversations with other Music Education Hubs, and we have been leading the way in how we have supported staff, parents and schools. As part of our funding agreement with Arts Council England we receive a quarterly feedback letter. The feedback from Arts Council confirmed that the risk rating for the period September to December 2024 had stayed at a scoring of 5 (minor risk).

We have close working relationships with many schools across the city, and feedback from headteachers and school-based staff continues to be overwhelmingly positive.

OUR ACHIEVEMENTS AND PERFORMANCE

The Trustees/Directors have taken note of the Charity Commission's guidance on public benefit in reviewing the aims and objectives and in planning activities. In particular, the Trustees/Directors consider how the planned activities contribute to the charity's aims and objectives, and they ensure these are carried out for the public benefit by delivering services that are valued by the beneficiaries (school, pupils, teachers, parents) and which deliver clear and definable benefit to those beneficiaries.



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2023/24

2023/24 is year four of 'Strategy 2025 – Creating Tomorrow Today', outlining our roadmap for the next five years.

Our ambitions are:

- To revolutionise educational learning to maximise participation, through
  - principles/evidence led educational practices
  - great teachers delivering great learning
  - offering personalised, flexible learning where appropriate
  - supporting the development of employability and skills
  - leading edge services and resources

- To be a key partner for raising standards and attainment in education in our city, region and nationally, through
  - being the distinctive leader in our sector
  - providing agile and collaborative (resourceful, bespoke and/or individualised) solutions
  - leading and stimulating debate on key issues facing the education sector
  - encouraging widening of participation and development of a love of life-long learning for all ages
  - developing a sustainable organisation for the long term that allows us to support and progress key initiatives

- To make important contributions to our society and communities, particularly through our work with disadvantaged groups and young people, through
  - innovation and application of our expertise
  - making a demonstrable impact
  - positive alumni and stakeholder engagement

These ambitions will be delivered through six organisation wide themes which all our colleagues can relate to in their work. They are intended to deliver a vibrant, resilient, and agile organisation fully equipped to deliver our vision and charitable purpose.

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At the start of year 4 of Strategy 2025, 3 strategic priorities were identified (each contributing to the themes outlined above), the progress against which is noted below:

1. Retain the position of Hub Lead Organisation

This was a key strategic objective during the 2023/24 financial year. Arts Council England had previously announced a reduction in the number of Hub Lead Organisations from 116 to 43 from September 2024. Unlike all other areas of the country, the geographical scope of the funding for Birmingham was unchanged but our appointment as Hub Lead Organisation was confirmed in May 2024 following a competitive tender process.

With the new funding agreement comes a more detailed reporting process, with many of the preparatory documents being completed in the period between May and August 2024. Detailed governance and oversight are provided by the Hub Lead Board, independently chaired by Steve Ball.

2. Re-imagining School Support

Developments within the external environment have a significant impact on priorities in all areas across SFE, but this is more prevalent within the School Support function. Education policy impacts the product portfolio in a range of ways across course design and delivery, through to consultancy. In addition to responding to planned and anticipated changes in the education landscape, the team are regularly "horizon scanning" to understand where potential options exist to develop or evolve the product portfolio in the longer term. The team will continue to balance opportunities for new developments alongside continuing to build on areas where SFE's market presence is already strong and highly effective. There is a strong focus on utilisation of our advisors and the approach to pricing bespoke work, to ensure that the true cost to the organisation is represented.

3. Building SFE for the future

Whilst changes in education policy will always have an impact on the nature of work delivered by SFE, it is also important for the organisation to continue to develop our enabling infrastructure, ensure the business can function effectively and efficiently and continues to invest in systems and resources for the future. During the year there was a specific focus on 'Fixing The Basics' with associated regular reporting to the Board.

Future Plans

Following the appointment as the HLO for Birmingham, a key priority for 2024/25 is meeting (and in time exceeding) the requirements of Arts Council England. This means closely working with our Hub Partners to ensure that we are all aligned in our delivery priorities. The importance of diversity is a key theme which runs through the funding agreement – and ensuring that the hub partnerships represent the diversity of Birmingham. This diversity should also be represented both in the HLO Board, and the SFE Board of Trustees – as such it will be a focus in the January 2025 recruitment campaigns.

Within our School Support work, we are conscious of the potential impact of any changes in education policy introduced by the new government. This is being closely monitored as this has the potential to impact the requirements of schools, and so the portfolio of work offered by SFE.

2024/25 is year 5 of the current strategic plan, and so there will be time spent on reviewing the current plan and considering which priorities need to be reflected (potentially in a different way) in plans 'Beyond 2025.' At the core, SFE has a vision to 'Bring music and learning to life.' This will not change going forward, but it is important to take the time to review the external environment and consider the potential influences on the future delivery of the vision.

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Sustainability

SFE is committed to identifying areas whereby we can reduce the impact on the environment from our operations and service delivery. We will address this through:

- Developing colleague engagement and involvement
- Reviewing our operational activities through the lens of sustainability
- Working with suppliers to reduce impact

During 2023/24 SFE:

- Ensured that only digital programmes were available at all concerts
- Influenced the packaging of instrument supply to the music education sector through discussions with key suppliers
- Worked with Veolia/pBone Music to explore the possibility of making musical instruments from recycled ABS plastic waste materials
- Replaced old strip lighting in ground floor kitchen/cafe area at Holt Court with energy efficient LED lighting
- Replaced old water heaters with more modern and efficient equivalents
- Reduced use of single-use plastics
- Ensured old electrical equipment and excess cardboard packaging disposed of responsibly

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RISKS AND UNCERTAINTIES

The Directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A thorough review is undertaken on at least an annual basis, with amendments made during the year as required:

The principal risks identified by the Trustees/Directors are:

- reductions in demand for music and school support services, caused by budgetary pressures as schools and other establishments respond to the current economic climate

  mitigated by: working closely with customers to align delivery to their circumstances, regularly monitoring developments in the education sector in order to respond/adapt our approaches

- reductions in funding for music in schools through the Arts Council Grant and/or reductions in school funding which will result in reduced ability or willingness to purchase SFE's services

  mitigated by: expansion of services both in type of service and the geographical reach of delivery. Advocacy of the benefits and impact of SFE's services.

- changes in education policy impacting income streams in the School Support Service

  mitigated by: close monitoring of education landscape and regular meetings implemented with Birmingham City Council to continually understand direction of travel

- significant increases in core costs such as rent, utilities, employment costs, cost of musical instruments purchase and repair

  mitigated by: active management of suppliers and monitoring of costs through a robust budget planning and management approach

- effective cash management to match the SFE business cycle and episodic revenue profile

  mitigated by: Close and frequent cash position monitoring combined with highly proactive invoice payment management and debt collection. During 2023/24 SFE has further developed our cash flow forecasting approach which has enabled us to embed and mature our investment strategy and maximise the return on investment of surplus cash balances in fixed term deposit accounts via a savings platform operated by Flagstone Group Ltd whilst interest rates remain strong. Deposits span a variety of maturity dates (with fixed terms of between 1 and 12 months), which allows SFE to balance day to day liquidity requirements alongside realising the benefit of fixed term investments.

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

General

During 2023/24, our Finance team continued to deliver monthly management accounts to a strict reporting timetable with figures provided to the Senior Leadership Team on the 10th working day after each month end. This provided timely and accurate information for decision making. Two budget reforecasts were performed during 2023/24 after production of December and February actuals providing the Board with updated views of the year end position. These were reviewed in detail at meetings of the Audit and Finance Sub-Committee.

There continues to be a strict focus on credit control. Debtor balances are reviewed at weekly meetings of the Senior Leadership Team and where appropriate customer facing colleagues are engaged in assisting recovery of difficult debts. A key metric introduced during 2023/24 was that of tracking debtor days on a weekly basis. Debtor days have consistently remained around 35 days during the year.

During 2023/24 we were able to continue placing cash on short term deposit in our Charities Aid Foundation account using their portal with Flagstone. Deposits were placed on a range of terms with an emphasis of maximising return at minimal risk. Interest received via these deposits amounted to £106,668 (2023: £33,102). The balance remaining on deposit at 31 August 2024 stood at £ 2,297,287 (2023: £1,894,096).

The statement of financial activities shows a net income for the year of £157,522 (2023: net expenditure of £113,680). The net income on unrestricted funds was £169,173 (2023: £55,961) and there was a net expenditure of £11,651 on restricted funds (2023: net expenditure of £169,641).

Reserves

It is the policy of the Board that cumulative unrestricted funds available to cover six months staff costs should be maintained. This reserves policy is reviewed annually by the Board in order to ensure its adequacy in relation to the scale of the Company's operations.

During the year ended 31 August 2024, six months staff costs amounted to £2,730,758. As at 31 August 2024 there were unrestricted funds carried forward of £2,829,698 (2023: £2,660,525), which is deemed sufficient to cover six months staff costs hence the reserves policy has been met. The Trustees are comfortable that the current level of available funds would continue to cover six months staff costs given current staffing levels. Trustees continue to take a cautious approach to reserves given the underlying economic climate and in due course plan to adopt a risk-based approach to the reserves policy.

Going Concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2024/25 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required.

The Directors have paid close attention to the education landscape and the financial pressures faced by schools (the key customer group). School orders have been closely monitored, particularly in view of the current cost of living crisis and the related pressure on school budgets. Music delivery has now exceeded pre pandemic levels, although prices have not risen in line with inflation mindful of the need to ensure affordability. Income within school support is linked to national education policy and priorities,

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and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

General

Services For Education (formerly S4E Limited) is a registered charity in England and Wales (No. 1148848) and a company (No. 07739831) limited by guarantee. It was set up by a Memorandum of Association on 15 August 2011 and is governed by its Memorandum and Articles of Association.

Services For Education (SFE) is a unique charity that uses the power of learning and music to create and build confidence amongst children, young people, adults and communities. We aim to bring learning and music to life.

The principal objects of the company are:

- the advancement of education, particularly through the promotion of high-quality teaching and learning;
- the advancement of the care, safety and upbringing of children and young people by:
    - supporting and assisting those in need, their families and carers
    - promoting their health
    - advancing their education
- the advancement of the arts and culture, particularly through the promotion and teaching of music.
- everything we do is delivered with passion and care.

The company continues to focus on the quality of all services provided and to seek to expand both the range of services as well as their geographical reach.

The Board

The Board of Trustees is responsible for the overall governance of Services For Education and meet at least bi-monthly during the year. Two sub-committees of the Board exist: the Hub Lead Organisation Board (formerly Birmingham Music Education Partnership sub-committee) and the Finance and Audit sub-committee. Trustees are generally asked to join one of these after a couple of months in role, according to their areas of interest and expertise. New trustees are elected and co-opted under the terms of the Articles of Association and following an open recruitment process.

The membership of the Hub Lead Organisation (HLO) Board will increase during 2024/25 to include representatives from amongst the wider stakeholders of SFE (in addition to Trustees). This wider membership along with an Independent Chair, are requirements from Arts Council England to ensure good governance and scrutiny of public funding. Steve Ball was appointed as the Independent Chair at the Board Meeting on 22 January 2024.

New trustees undertake a comprehensive induction process, which includes meetings with each member of the Senior Leadership Team and follow up meetings as required.

The Board of Trustees is chaired by Martin Hall who took over from Sarah Smith, having been appointed at the Board meeting on 16 Sept 2024.

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Strategic management

Chief Executive

Authority to conduct the day-to-day activities of Services For Education is delegated to the Chief Executive, Sharon Bell, who is responsible for ensuring that the agreed strategy is implemented, and the necessary controls are in place to govern the organisation.

The Chief Executive is supported by the Senior Leadership Team (SLT) which comprises Lindsay Allen (HR Director); Tracy Carlton (Director of Marketing and Business Development); Stuart Birnie (Head of Music Service); Kirsty Jones (Head of School Support Service); Sarah Marshall (Head of Shared Services); and Carl Black (Finance Manager).

At the end of August 2024. Stuart Birnie left the Music Service after 33-years' service - most recently as its Head and prior to that Assistant Head. Stuart has been replaced by Richard Mabbott (from 27 August 2024). Richard started his musical career as a chorister before becoming an Assistant Headteacher and Specialist Leader of Education for Music working with schools in Yorkshire and Humber region to enhance the classroom music offer and build networks of music teachers enabling pedagogical developments.

The Senior Leadership Team meets weekly, with additional monthly sessions focussing on strategy and long-term planning. A Strategic Oversight Group meets on a fortnightly basis, comprising three members of the Senior Leadership Team and the focus this year has been ensuring the implementation of key processes around costings and recruitment.

Remuneration Policy for Key Personnel

The remuneration of the Chief Executive is set by the Board of Trustees/Directors based on advice from market recruitment specialists.

The remuneration of senior staff is set by the Chief Executive in consultation with the Chair of Trustees and is based on both advice from market recruitment specialists and on industry benchmarks depending on the discipline of the employee.

Employees

During the FY23-24 period, Services For Education employed 220 staff on average.

Regular weekly communications include an informal Monday video by the Chief Executive and a weekly written communication (In The Know) issued on a Wednesday. A more formal briefing is issued at the start of each term – either in-person at a training event or virtually. Staff Forum meetings are normally held bi-monthly, with additional meetings as required. Minutes from all Staff Forum meetings are shared with staff, normally within 2 weeks of the meeting date, and archive copies are available through the SFE Sharepoint pages at any time. Through these methods and local/departmental updates, colleagues have received regular and consistent information on business performance and planned developments. There were opportunities to bring colleagues together at informal social events in July and December 2024 which were warmly received by staff.

63.9% of colleagues competed the staff survey in January 2024 (2023: 70.6%, 2022: 75.3%), resulting in an engagement score of 73% (2023: 72% , 2022: 74%). Working with the external provider to ensure colleague anonymity, the survey structure has enabled the findings to be reviewed through different lenses, including down to departmental level. This has enabled action planning to be built on the results seen at a local level and encourage engagement through departmental managers.

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Diversity and Inclusion

SFE is committed to valuing diversity, encouraging inclusion and eliminating discrimination in both its role as an employer and as a provider of services. Our aim is that our employees are truly representative of the communities we engage with and work in an environment where everyone is respected and able to perform to the best of their ability.

Our policy is to provide equality and fairness for all in our employment and in our provision of services, and not to discriminate on grounds of gender, marital status, race, ethnic origin, nationality, disability, sexual orientation, religion or age.

SFE opposes all forms of unlawful and unfair discrimination. It is our policy to provide a suitable environment for people with disabilities. All reasonable facilities will be provided for employees with disabilities to perform their roles without difficulty or disadvantage. SFE is also supportive of our neurodiverse workforce and are continually developing our approach to ensuring all colleagues feel able to adjust their working arrangements to suit their needs, be this in connection with neurodiversity, menopause or other factor.

We will not tolerate direct or indirect discrimination against any person on grounds of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation, whether in the field of recruitment, terms and conditions of employment, career progression, training, transfer or dismissal.

It is also the responsibility of all employees in their daily actions, decisions and behaviour, to endeavour to promote these concepts, to comply with all relevant legislation and to ensure they do not discriminate against colleagues, customers, suppliers or any other person associated with the business.

In adopting these principles, SFE:

- will not tolerate acts that breach this policy and all such breaches or alleged breaches will be taken seriously, fully investigated and may be subject to disciplinary action, where appropriate.
- fully recognises its legal obligations under all relevant legislation and codes of practice.
- will allow staff to pursue any matter through the internal procedures which they believe has exposed them to inequitable treatment within the scope of this policy. Copies of these procedures are available to all staff through the website.
- will ensure that all managers understand and maintain their responsibilities and those of their team under this policy.
- will offer opportunities for flexible working patterns, wherever operationally feasible, to help employees to combine a career with their domestic responsibilities.
- will provide equal opportunity to all who apply for vacancies through open competition.
- will select candidates only on the basis of their ability to carry out the job, using a clear and open process.
- will provide all employees with the training and development they need to carry out their job effectively.
- will provide all reasonable assistance to employees who are or who become disabled, making reasonable adjustments wherever possible to provide continued employment. We will ensure an appropriate risk assessment is carried out and that appropriate specialist advice is obtained when necessary.
- will distribute and publicise this policy statement throughout the company.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Directors (who are also Trustees of SFE for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

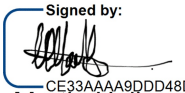
The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed:

- That so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditor in connection with preparing this report and to establish that the charitable company's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Signed by:

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Martin Hall
Chair of Trustees

Date: 24 March 2025

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED

Opinion

We have audited the financial statements of Services for Education Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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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 contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the charitable company's control environment and how the charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

Use of our report

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

Cooper Parry Group Ltd.

Glen Bott FCA (Senior statutory auditor)
for and on behalf of
Cooper Parry Group Limited
Statutory Auditor
Cubo Birmingham
Two Chamberlain Square
Birmingham
B3 3AX

Date: 4 April 2025

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	14,466	2,023,131	2,037,597	1,920,125
Charitable activities	5	4,946,857	-	4,946,857	4,962,447
Investment income	6	119,843	-	119,843	38,859
Total income		5,081,166	2,023,131	7,104,297	6,921,431
Expenditure on:					
Charitable activities	7	4,911,993	2,034,782	6,946,775	7,035,111
Total expenditure		4,911,993	2,034,782	6,946,775	7,035,111
Net movement in funds		169,173	(11,651)	157,522	(113,680)
Reconciliation of funds:					
Total funds brought forward		2,660,525	52,552	2,713,077	2,826,757
Net movement in funds		169,173	(11,651)	157,522	(113,680)
Total funds carried forward		2,829,698	40,901	2,870,599	2,713,077

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 40 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07739831

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	11		227,237		350,267
			227,237		350,267
Current assets					
Debtors	12	692,136		891,124	
Cash at bank and in hand		3,312,437		2,944,847	
		4,004,573		3,835,971	
Creditors: amounts falling due within one year	13	(1,361,211)		(1,473,161)	
Net current assets			2,643,362		2,362,810
Total assets less current liabilities			2,870,599		2,713,077
Net assets excluding pension asset			2,870,599		2,713,077
Total net assets			2,870,599		2,713,077
Charity funds					
Restricted funds	14		40,901		52,552
Unrestricted funds	14		2,829,698		2,660,525
Total funds			2,870,599		2,713,077

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:
CE33AAAA9DDD48D...
Martin Hall
Chair of Trustees

Date: 24 March 2025

The notes on pages 25 to 40 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	16	374,554	192,976
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(6,964)	(16,371)
Net cash used in investing activities		(6,964)	(16,371)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		367,590	176,605
Cash and cash equivalents at the beginning of the year		2,944,847	2,768,242
Cash and cash equivalents at the end of the year	17	3,312,437	2,944,847

The notes on pages 25 to 40 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

Services For Education Limited is a charitable company limited by guarantee and registered and domiciled in England. The address of the registered office is Unit 3, Holt Court, Holt Street, Birmingham Science Park, Aston, Birmingham, B7 4AX.

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Services For Education Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2024/25 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required.

The Directors have paid close attention to the education landscape and the financial pressures faced by schools (the key customer group). School orders have been closely monitored, particularly in view of the current cost of living crisis and the related pressure on school budgets. Music delivery has now exceeded pre pandemic levels, although prices have not risen in line with inflation mindful of the need to ensure affordability. Income within school support is linked to national education policy and priorities, and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

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2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income for services is recognised in the Statement of Financial Activities on a receivable basis on completion of the service.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the term of the lease
Fixtures and fittings	- 25% on a straight line basis
Computer equipment	- 33.3% on a straight line basis
Music instruments	- 10%-13.3% on a straight line basis

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2. Accounting policies (continued)

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

Docusign Envelope ID: DE149A08-0836-4070-A8DD-52AA757BBDC6

2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include depreciation rates for tangible fixed assets and their residual values.

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	14,466	53,402	67,868
Grants	-	1,969,729	1,969,729
	14,466	2,023,131	2,037,597

Included within Grants there is £1,969,729 from Arts Council England.

Docusign Envelope ID: DE149A08-0836-4070-A8DD-52AA757BBDC6

4. Income from donations and legacies (continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	23,431	87,501	110,932
Grants	-	1,809,193	1,809,193
	23,431	1,896,694	1,920,125

Included with Grants there is £1,809,193 from Arts Council England.

5. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £
Music	4,183,255	4,183,255
School support	763,227	763,227
Other	375	375
	4,946,857	4,946,857

	Unrestricted funds 2023 £	Total funds 2023 £
Music	3,959,890	3,959,890
School support	998,981	998,981
Other	3,576	3,576
	4,962,447	4,962,447

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6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	119,843	119,843

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income - local cash	38,859	38,859

7. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Music	4,600,118	1,552,654	6,152,772
School support	564,136	228,960	793,096
Other	-	907	907
	5,164,254	1,782,521	6,946,775

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Music	4,684,421	1,498,547	6,182,968
School support	627,818	223,233	851,051
Other	-	1,092	1,092
	5,312,239	1,722,872	7,035,111

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7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Direct costs - Music 2024 £	Direct costs - School Support 2024 £	Total funds 2024 £
Staff costs	4,041,779	490,032	4,531,811
Depreciation	124,003	-	124,003
Music resources	32,187	-	32,187
Performance costs	181,046	-	181,046
Venue hire	131,501	350	131,851
Project costs	-	37,800	37,800
Travel & subsistence	38,992	-	38,992
Training	5,260	-	5,260
Consultancy	45,350	35,954	81,304
	4,600,118	564,136	5,164,254

	Direct costs - Music 2023 £	Direct costs - School Support 2023 £	Total funds 2023 £
Staff costs	4,153,258	528,027	4,681,285
Depreciation	122,735	-	122,735
Music resources	27,463	-	27,463
Performance costs	171,393	-	171,393
Venue hire	116,847	1,376	118,223
Project costs	-	38,800	38,800
Travel & subsistence	42,689	-	42,689
Training	6,605	-	6,605
Consultancy	43,431	59,615	103,046
	4,684,421	627,818	5,312,239

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct costs - Music 2024 £	Direct costs - School Support 2024 £	Direct costs - Other 2024 £	Total funds 2024 £
Staff costs	818,141	111,565	-	929,706
Other staff costs	105,750	14,421	-	120,171
Depreciation	5,272	719	-	5,991
Project costs	35,927	18,356	-	54,283
Travel & subsistence	2,992	408	-	3,400
Training	42,518	5,798	-	48,316
Office costs	91,736	16,286	-	108,022
Premises costs	213,426	29,103	-	242,529
Insurance	24,673	3,365	-	28,038
Marketing and publicity	55,824	7,612	-	63,436
Professional fees	27,382	3,734	-	31,116
Bank charges	4,198	573	907	5,678
Irrecoverable VAT	111,835	15,250	-	127,085
Governance costs	12,980	1,770	-	14,750
	1,552,654	228,960	907	1,782,521

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7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Music 2023 £	School support 2023 £	Other 2023 £	Total funds 2023 £
Staff costs	784,455	104,953	-	889,408
Other staff costs	89,818	13,010	-	102,828
Depreciation	6,385	871	-	7,256
Project costs	62,039	19,123	-	81,162
Travel & subsistence	906	124	-	1,030
Training	29,718	4,052	-	33,770
Office costs	81,713	20,620	-	102,333
Premises costs	214,675	29,274	-	243,949
Insurance	23,365	3,186	-	26,551
Marketing and publicity	46,670	6,364	-	53,034
Professional fees	22,798	3,109	-	25,907
Bank charges	1,808	247	1,092	3,147
Irrecoverable VAT	122,757	16,740	-	139,497
Governance costs	11,440	1,560	-	13,000
	1,498,547	223,233	1,092	1,722,872

8. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	13,500	12,000
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	1,250	1,000

9. Staff costs

	2024 £	2023 £
Wages and salaries	4,697,080	4,770,940
Social security costs	370,996	392,481
Contribution to defined contribution pension schemes	393,441	407,272
	5,461,517	5,570,693

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9. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2024 No.	2023 No.
Music	190	190
School support	8	9
Administration	21	19
Fundraising	1	-
	220	218

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	-	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	-	1

The total employee benefits received by key management personnel in the year was £614,347 (2023: £636,564).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, expenses totalling £42.70 were reimbursed or paid directly to 1 Trustee (2023 - £Nil). This related to a reimbursement of travel expenditure.

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11. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Musical Instruments £	Total £
Cost or valuation					
At 1 September 2023	93,406	143,852	93,919	3,264,561	3,595,738
Additions	-	6,227	-	737	6,964
At 31 August 2024	93,406	150,079	93,919	3,265,298	3,602,702
Depreciation					
At 1 September 2023	93,406	131,924	93,919	2,926,222	3,245,471
Charge for the year	-	5,991	-	124,003	129,994
At 31 August 2024	93,406	137,915	93,919	3,050,225	3,375,465
Net book value					
At 31 August 2024	-	12,164	-	215,073	227,237
At 31 August 2023	-	11,928	-	338,339	350,267

12. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	578,643	794,083
Other debtors	1,444	3,426
Prepayments and accrued income	112,049	93,615
	692,136	891,124

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13. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	79,328	121,997
Other creditors	173,663	173,667
Accruals and deferred income	1,108,220	1,177,497
	1,361,211	1,473,161

	2024 £	2023 £
Deferred income at 1 September 2023	1,060,392	848,989
Resources deferred during the year	1,052,040	1,311,958
Amounts released from previous periods	(1,192,424)	(1,100,555)
	920,008	1,060,392

Deferred income relates to income received in advance of service delivery for 2024/2025.

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14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Unrestricted funds				
General Funds - all funds	2,660,525	5,081,166	(4,911,993)	2,829,698
Restricted funds				
Arts Council England	-	1,969,729	(1,969,729)	-
Other	52,552	53,402	(65,053)	40,901
	52,552	2,023,131	(2,034,782)	40,901
Total of funds	2,713,077	7,104,297	(6,946,775)	2,870,599

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14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted funds				
General Funds - all funds	2,604,564	5,024,737	(4,968,776)	2,660,525
Restricted funds				
Arts Council England	166,825	1,809,193	(1,976,018)	-
Other	55,368	87,501	(90,317)	52,552
	222,193	1,896,694	(2,066,335)	52,552
Total of funds	2,826,757	6,921,431	(7,035,111)	2,713,077

Arts Council England fund is core grant funding to support delivery of the music service.

Other restricted funds are an aggregate of smaller donations for specific aspects of our services.

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	227,237	-	227,237
Current assets	3,963,672	40,901	4,004,573
Creditors due within one year	(1,361,211)	-	(1,361,211)
Total	2,829,698	40,901	2,870,599

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15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	350,267	-	350,267
Current assets	3,783,419	52,552	3,835,971
Creditors due within one year	(1,473,161)	-	(1,473,161)
Total	2,660,525	52,552	2,713,077

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	157,522	(113,680)
Adjustments for:		
Depreciation charges	129,994	129,992
Decrease/(increase) in debtors	198,988	(2,823)
Increase/(decrease) in creditors	(111,950)	179,487
Net cash provided by operating activities	374,554	192,976

17. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	3,312,437	2,944,847
Total cash and cash equivalents	3,312,437	2,944,847

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18. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	2,944,847	367,590	3,312,437
	2,944,847	367,590	3,312,437

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £393,441 (2023: £407,272).

20. Operating lease commitments

At 31 August 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	94,487	44,536
Later than 1 year and not later than 5 years	90,457	38,944
	184,944	83,480

During the year £44,536 (2023: £109,246) has been recognised as an expense in the Statement of financial activities.

21. Related party transactions

During the year, services totalling £63,931 (2023: £78,255) were provided to Birmingham Diocesan Multi-Academy Trust in which Mrs S E Smith and Miss S Bell are also Directors. Additionally, services totalling £1,750 (2023: £Nil) were purchased from Birmingham Diocesan Multi-Academy Trust. At the year end £30,815 (2023: £29,625) was due to Services for Education Limited.

During the year, services totalling £4,638 (2023: £6,050) were provided to All Saints Multi-Academy Trust, Birmingham in which Mrs S E Smith is also a Director. At the year end £Nil (2023: £Nil) was due to Services for Education Limited.

Services For Education Limited

England & Wales - Charity number 1148848

Accounts

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Company number: 07739831
Charity number : 1148848

Services For Education

TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2023

Trustees	Sarah Smith, Chair Laura Williams Philip Davies (resigned 31 August 2023) David Bolton Paul Stone Joanna Cooney Martin Hall Jory Debenham (appointed 5 April 2023) Jamie Barry (appointed 12 April 2023) Peter Borg-Bartolo (appointed 4 April 2023)
Company registered number	07739831
Charity registered number	1148848
Registered office	Unit 3, Holt Court Holt Street Birmingham B7 4AX
Company secretary	David Alcock
Chief executive officer	Sharon Bell
Independent auditor	Cooper Parry Group Limited Chartered Accountants Statutory Auditor Cubo Birmingham Office 401, 3rd Floor Two Chamberlain Square Birmingham B3 3AX

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

WHY WE EXIST

Our Vision and Mission

Services for Education is a unique charity that uses the power of learning and of music to transform and enhance the lives of children, young people, adults, and our wider communities.

We bring learning and music to life.

Our work encompasses a broad range of settings, including:

- Teaching pupils learning vocal and traditional instruments – to build technical and performance skills alongside confidence and creativity, and encourage pursuit of music-based careers, as well as participation in a wide variety of musical experiences.
- Specialist work with SEND/disadvantaged groups – to increase engagement and attainment
- Specialist work with Early Year settings – to promote a positive start to life and learning
- Our Music School – to support lifelong learning and encourage the love of music amongst young people and adults
- Working with adults – to promote wellbeing and positive mental health in later life
- Bespoke consultancy, advice and professional development programmes – enabling school leaders, educators and governors to raise attainment levels, and develop and implement initiatives that improve health, wellbeing, standards and outcomes to ensure all children and young people realise their full potential academically, physically and emotionally.
- To enable schools, wider educational settings, and those organisations working with children and young people to develop safeguarding policy and practice that ensures the needs of all are recognised and met efficiently and effectively.
- Support, guidance, and development activities to those in the earliest stages of their teaching career in order to enable them to become highly skilled, leading-edge practitioners.

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Our Values

Our values are extremely important to us as these underpin our vision and mission:

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CHAIR'S INTRODUCTION

Welcome to our 2022/23 Annual Report and Accounts.

It has been a truly exciting year with some fantastic moments across the business, including some wonderful music events which you can read about below and the launch of some new services and partnerships by our School Support team.

This year we have been lucky to create some really strong partnerships with companies like Best Practice Network and we are now able to provide SCITT, the ECF Programme and National Professional Qualifications through them.

This partnership has strengthened our offering and we've seen some really strong outcomes because of that. Our School Support team also hosted their first ever on-line Reading Conference for Primary Teachers. This has received fantastic feedback from all attendees and welcomed renowned guest speakers such as Mat Tobin and Pie Corbett.

In our music department, we celebrated the Youth Proms again in style and this year celebrated the King's Coronation with an outdoor extravaganza at Cannon Hill Park. Our music team also launched Count Me In! This is a fantastic resource for special schools and were featured on local news to talk about the book.

None of this would have been achievable without the enthusiasm and continuing commitment of our colleagues, trustees, stakeholders and, of course, our donors and funders including Arts Council England. Thank you to all of you who support Services For Education, and our work across the city of Birmingham and further afield – we are very grateful.

DocuSigned by:
Sarah Smith
16F5EFE64D47496...
Sarah Smith

Chair of Trustees

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TRUSTEES REPORT

The Trustees and Directors of Services For Education Limited present their annual and strategic report and audited financial statements for the year ended 31 August 2023. The company trades under the name Services For Education (SFE) and will be referred to as SFE in the rest of this document.

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 Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Our Approach to Safeguarding

All staff undertake annual safeguarding training; for some experienced colleagues this will be refresher training. This is now offered as face-to-face training every year and is supplemented by the SFE online training course for those who cannot attend. All Music Staff also receive on-going face to face/online update training to help keep safeguarding at the forefront of people's thinking and embed a professional curiosity. All new staff are required to undertake the online course before commencing delivery for SFE. This is the minimum requirement and, this year, we have introduced mid-year face-to-face safeguarding training to these same staff. We have also introduced new podcasts by way of 'follow up/scenarios that we encounter' to support all staff. The SFE Heads of Service jointly carry out an annual review of all training content to ensure this is in line with current policy and guidance (Keeping Children Safe in Education and Working Together to Safeguard Children). SFE has six members of staff who are trained as Designated Safeguarding Leads (DSL), two of whom are members of the Senior Leadership Team, and who are required to maintain their status through completing bi-annual update training. These six members of staff manage all safeguarding queries and concerns, liaising with schools and external agencies as appropriate. SFE's safeguarding policy is reviewed annually to capture all legislative changes.

SFE is represented on the Birmingham Safeguarding in Education group to ensure all company practice is aligned to the Birmingham Safeguarding Children Partnership structures and procedures. All colleagues are required to review key policies and guidance on an annual basis and sign to confirm that they have done so.

Our Approach to Fundraising

Services For Education is proud to be registered with the Fundraising Regulator, the independent body which sets and maintains the standards for fundraising in the United Kingdom. We are committed to the Fundraising Promise to ensure our fundraising activities are legal, open, honest, and respectful.

We work closely with an external fundraising consultant bid writer who supports our grants and trusts activity which is currently our main fundraising income generation stream. This year, we have hired a new Fundraising Manager. As a result, moving into 2024, we will be focussing on enhancing our individual and community impact by continuing to create more compelling story-based and outcome-based communications so that we start to build a relationship with our donors rather than just being transactional in our approach.

In 2022/23 SFE received no complaints about its fundraising activity.

Our Approach to Quality

We pride ourselves in the quality of our services and the professionalism and skills of our highly talented colleagues. As we teach music to 32,000 children per week, and deliver an extensive portfolio of training and

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consultancy products to school leaders, it is essential that our customer facing teams keep at the forefront of developments and best practice in their fields.

School Support

Over the last 12 months School Support Services has continued to provide a wide range of products and services using both on-line and some face-to-face delivery. This approach has been informed both by customer feedback, but also taking into consideration the subject matter and what is most appropriate for embedding the learning. Delegate feedback is continuing to be closely monitored to ensure the quality of training and testimonials are received following consultancy work. Colleagues continue to be upskilled in digital delivery, to ensure a highly engaging and interactive learning experience as our online offer continues to grow. We have further developed our partnership with BPN, along with enhancing our bespoke, consultancy offer ensuring that Education Advisors remained current in their knowledge and understanding of present education issues impacting schools. This professional development for the School Support team is provided via half termly CPD. The School Support Service has also developed its work with our music service, providing on-going safeguarding CPD, and quality assurance of this aspect of work and more recently is contributing to the CPD programme for SFE's music teachers. SFE's Education Advisors have also received CPD on well-being. We maintain a positive working relationship with BCC through our work on both the Statutory Assessment Duty and SACRE. Our work with Mondelez continues to thrive with our Health For Life programme now working with its twelfth cohort.

Music

We have continued our series of twilight CPD sessions for primary, secondary and special schools. These take place every term and have seen music coordinators sharing best practice with each other and having opportunities to share best practice. Sessions have also seen us supporting them with composition from hub partners Birmingham Contemporary Music Group (BCMG) and singing with our vocal team and Ex Cathedra (hub partners). We delivered our schools' Music Conference face to face in March at the MAC. We looked at the level of need required from schools and provided CPD for SFE staff and school-based colleagues on:

- National Plan For Music Education 2 & Model Music Curriculum – SFE's response and how staff need to adapt
- A focus on high-quality teaching and learning and building and developing partnerships, progression and pathways for all young people in Birmingham
- Annual Safeguarding
- Developing as an inclusive practitioner with practical case-studies from fellow music service colleagues
- A trauma informed and trauma responsive approach
- Birmingham Teaching and Learning Framework and A Common Approach 2.0
- WCIT Training – developing pedagogy
- Introducing School / Area Ensemble Repertoire
- Bringing music from all sources alive in the classroom
- Trinity College and Sounds of Intent Accreditation
- Creating the ultimate Primary Music Teacher Tool Kit
- Awards for Young Musicians (AYM) acclaimed Identifying Musical Talent and Potential
- Composition in Primary Schools
- Leadership/Management training for assistants/LP with Andy Hind
- Singing – What is a musical school?
- Technology in the classroom – Charanga training
- Building a music curriculum – for secondary teachers aligning to NPME2
- What the music curriculum looks like in a special school
- Online resources
- Support for ECT teachers in Birmingham

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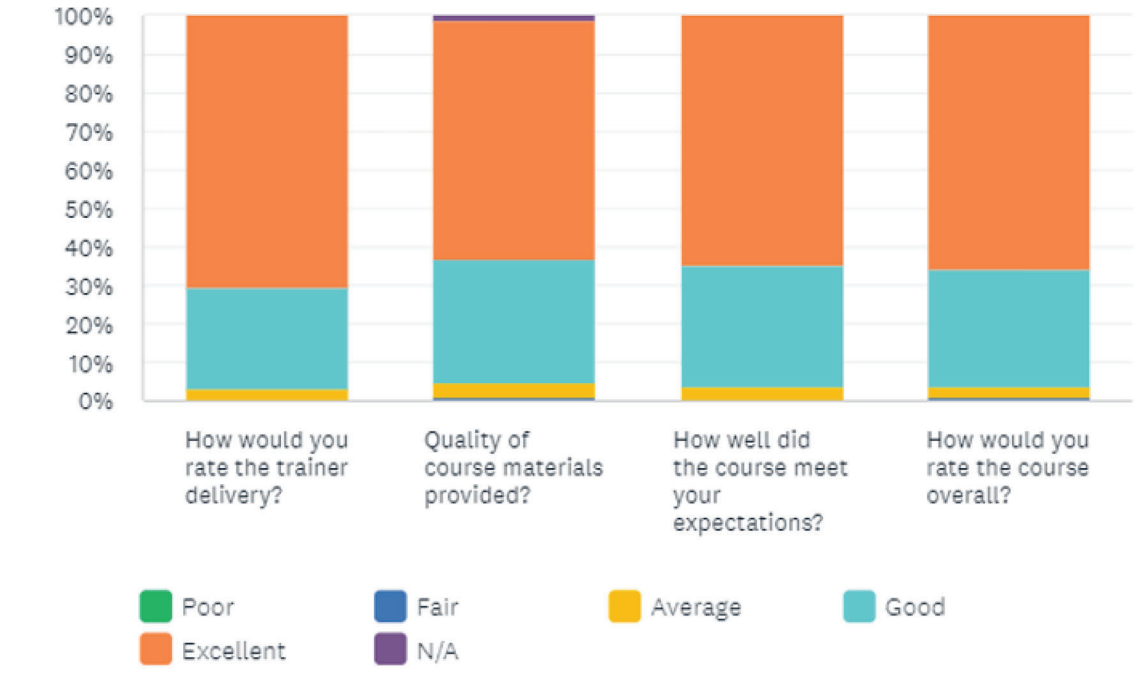
We continue to improve and develop our 'in house' CPD with the wider music team. Through PDR conversations, we continue to offer support on training days to all staff and through departmental training. This academic year saw us offering more support on the understandings of pupils and how to get to know children and young people we work with. For example, our Trauma Informed Training and Inclusive Practitioner Training has helped support all staff more.

Customer Feedback

Customer feedback is obtained from all course delegates in School Support Services– response rates have improved by collecting feedback online. Throughout the move to online delivery the feedback from course delegates has remained positive with 97% of delegates rating trainer delivery as excellent (70%) or good, and 96% rating the course overall as excellent (66%) or good.

Please rate your experience of the course:



Number of completed responses = 1,169

Our music provision is informally benchmarked in regular conversations with other Music Education Hubs, and we have been leading the way in how we have supported staff, parents and schools. As part of our funding agreement with Arts Council England we receive a quarterly feedback letter. The feedback from Arts Council confirmed that the risk rating for the period April to August 2023 had stayed at a scoring of 5 (minor risk – risk is scored 2-6).

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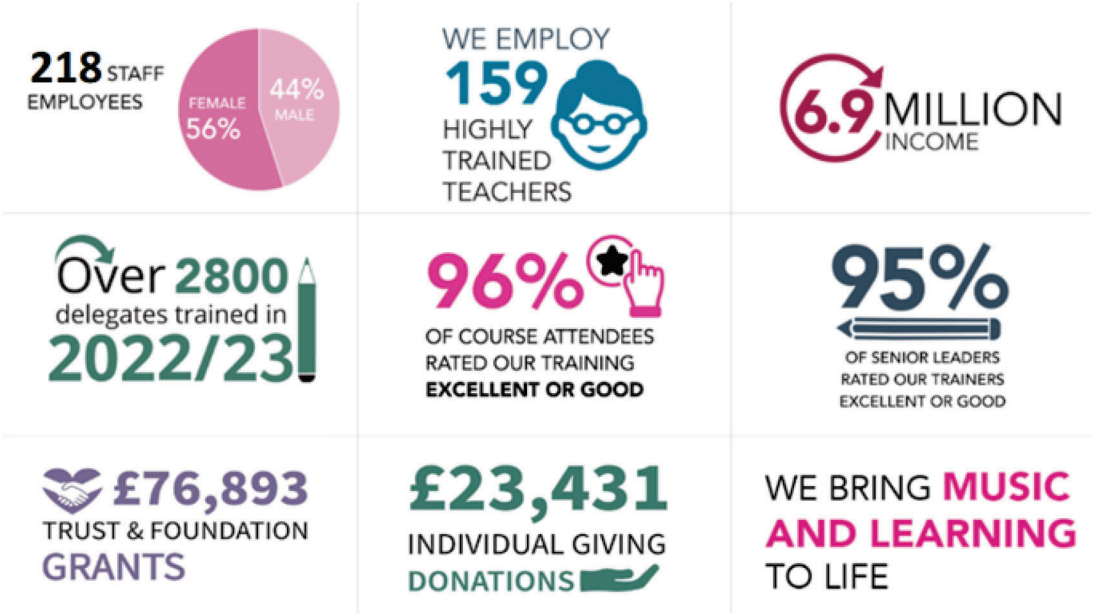
OUR ACHIEVEMENTS AND PERFORMANCE

The Trustees/Directors have taken note of the Charity Commission's guidance on public benefit in reviewing the aims and objectives and in planning activities. In particular, the Trustees/Directors consider how the planned activities contribute to the charity's aims and objectives and they ensure these are carried out for the public benefit by delivering services that are valued by the beneficiaries (school, pupils, teachers, parents) and which deliver clear and definable benefit to those beneficiaries.



2022/23

2022/23 is year three of ‘Strategy 2025 – Creating Tomorrow Today’, outlining our roadmap for the next five years.

Our ambitions are:

- To revolutionise educational learning to maximise participation, through
  - principles/evidence led educational practices
  - great teachers delivering great learning
  - offering personalised, flexible learning where appropriate
  - supporting the development of employability and skills
  - leading edge services and resources

- To be a key partner for raising standards and attainment in education in our city, region and nationally, through
  - being the distinctive leader in our sector
  - providing agile and collaborative (resourceful, bespoke and/or individualised) solutions
  - leading and stimulating debate on key issues facing the education sector
  - encouraging widening of participation and development of a love of life-long learning for all ages
  - developing a sustainable organisation for the long term that allows us to support and progress key initiatives

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- To make important contributions to our society and communities, particularly through our work with disadvantaged groups and young people, through
  - innovation and application of our expertise
  - making a demonstrable impact
  - positive alumni and stakeholder engagement

These ambitions will be delivered through six organisation wide themes which all our colleagues can relate to in their work. They are intended to deliver a vibrant, resilient, and agile organisation fully equipped to deliver our vision and charitable purpose.

At the start of year 3 of Strategy 2025, 3 strategic projects were identified, the progress against which is noted below:

1. To build upon the progress made in 2021/22

The focus in the previous period had been on returning to pre pandemic levels of activity and impact, and intentionally focussing on developing the culture of SFE.

It has been encouraging to see music being firmly re-established in schools, albeit the pressures faced by school budgets results in challenges for SFE as a supplier. We work closely with our school customers to determine the most effective way of providing the service and ensuring the best possible experience for our learners. As noted above, the shape and profile of the School Support offer has altered in order to respond to changes in government policy and ensures that we are meeting the needs of school leaders both in Birmingham and further afield.

The development of organisational culture continues to be a priority – and there is ongoing investment in coaching for our leadership team, to ensure tailored support is available. The ongoing work focussing on wellbeing and diversity and inclusion form important streams of activity supporting culture development.

2. To successfully bid for key contracts within School Support and Music

At the start of 2022/23, we were planning our approach for the renewal of two key contracts – the Statutory Assessment Contract with Birmingham City Council and the appointment as the Lead Music Hub for Birmingham in a contract which would be awarded by Arts Council England. We were pleased to be successful in our tender for the Statutory Assessment Contract.

When the timescales were outlined for appointment of Lead Music Hubs across England, the deadline for application was announced as being early October 2023. A thorough piece of work culminated in what we believe to be a strong submission and the outcome will be known in Spring 2024.

3. To determine our office base for SFE for the medium term

With the lease on our premises at Holt Court due for renewal, this provided an opportunity to review our needs

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both in terms of office space and training rooms. In addition, we have reviewed the availability of premises locally. The decision has been made to stay in our current premises and negotiations are currently underway with the landlord regarding renewal.

Future Plans

As in previous years, SFE has identified our strategic priorities for 2023/24 which deliver against the organisation wide themes outlined above. These include:

1. Retaining SFE's status as Hub Lead Organisation (HLO) for Birmingham
In Spring 2024 SFE expects to hear the outcome of the national tendering process which will define how the national music education grant is administered. As the current Music Hub Lead for Birmingham, SFE is seeking to retain this position. The new funding structure will introduce new requirements for the management of the grant funding, which requires SFE to update the existing governance arrangements to ensure that the expectations of Arts Council England are fully met and ultimately exceeded.

2. Re-imagining the School Support priorities
Developments within the external environment have a significant impact on priorities in all areas across SFE, but this is more prevalent within the School Support function. Education policy impacts the product portfolio in a range of ways across course design and delivery, through to consultancy. In addition to responding to planned and anticipated changes in the education landscape, the team are regularly "horizon scanning" to understand where potential options exist to develop or evolve the product portfolio in the longer term. The team will continue to balance opportunities for new developments alongside continuing to build on areas where SFE's market presence is already strong and highly effective.

3. Building SFE for the future
Whilst changes in education policy will always have an impact on the nature of work delivered by SFE, it is also important for the organisation to continue to develop our enabling infrastructure, ensure the business can function effectively and efficiently and continues to invest in systems and resources for the future. It is our intention to use FY23/24 to undertake further reviews of our requirements for the near term, which can then be developed into future project and priorities to support delivery requirements in future years. This activity will connect with and feed into our thinking and planning around developing the organisational strategy for 2025-2030.

Sustainability

SFE is committed to identifying areas whereby we can reduce the impact on the environment from our operations and service delivery. We will address this through:

- Developing colleague engagement and involvement
- Reviewing our operational activities through the lens of sustainability
- Working with suppliers to reduce impact

During 2022/23 SFE:

- Introduced a corporate sustainability policy
- Ensured that sustainability was a key consideration during the timetabling process for music colleagues, reducing travel time between lessons wherever possible
- Introduced a cycle to work scheme which has resulted in more colleagues cycling between locations
- Moved to digital only concert programmes

Supported two members of the Senior Leadership Team in undertaking the funded 'Green Advantage Programme' at Aston University

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RISKS AND UNCERTAINTIES

The Directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A thorough review is undertaken on at least an annual basis, with amendments made during the year as required:

The principal risks identified by the Trustees/Directors are:

- reductions in demand for music and school support services, caused by budgetary pressures as schools and other establishments emerge from lockdown

mitigated by: working closely with customers to align delivery to their circumstances

- reductions in funding for music in schools through the Arts Council Grant and/or reductions in school funding which will result in reduced ability or willingness to purchase SFE's services

mitigated by: expansion of services both in type of service and the geographical reach of delivery. Advocacy of the benefits and impact of SFE's services.

- changes in education policy impacting income streams in the School Support Service

mitigated by: close monitoring of education landscape and regular meetings implemented with Birmingham City Council to continually understand direction of travel

- significant increases in core costs such as rent, utilities, employment costs, cost of musical instruments purchase and repair

mitigated by: active management of suppliers and monitoring of costs

- effective cash management to match the SFE business cycle and episodic revenue profile

mitigated by: Close and frequent cash position monitoring combined with highly proactive invoice payment management and debt collection. During 2022/23 SFE has implemented a robust cash management approach, investing surplus cash balances in fixed term deposit accounts via a savings platform operated by Flagstone Group Ltd. Deposits span a variety of maturity dates (with fixed terms of between 1 and 12 months), ensuring SFE is maximising the potential to earn interest on surplus cash balances, whilst at the same time having sufficient funds available to meet day to day requirements.

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

General

During 2022/23, our Finance team continued to deliver monthly management accounts to a strict reporting timetable with figures provided to the Senior Leadership Team on the 10th working day after each month end. This provided timely and accurate information for decision making. Two budget reforecasts were performed during 2022/23 after production of December and February actuals providing the Board with updated views of the year end position. These were reviewed in detail at meetings of the Audit and Finance Sub-Committee.

There continues to be a strict focus on credit control, and at key points during the year, additional temporary resource has been secured to maintain focus on this area. Debtor balances are reviewed at weekly meetings of the Senior Leadership Team and where appropriate customer facing colleagues are engaged in assisting recovery of difficult debts.

During the year, an account was opened with Charities Aid Foundation which enabled use of their portal with Flagstone in order to place cash on short term deposit. Interest received via these deposits amounted to £33,102. The balance remaining on deposit at 31 August 2023 stood at £1,894,096.

The statement of financial activities shows a net expenditure for the year of £113,680 (2022: net income of £157,104). The net income on unrestricted funds was £55,961 (2022: £661,603) and there was a net expenditure of £169,641 on restricted funds (2022: net expenditure of £504,499).

Reserves

It is the policy of the Board that cumulative unrestricted funds available to cover operational costs should be maintained at a minimum figure of £1,500,000. In addition, cash balances should be maintained at a minimum of £1,000,000 throughout any financial year in order to cover any immediate operational costs and to enable the Company to respond to changes in government policy and funding streams, with an increased balance at 31 August in any year of £1,500,000 to reflect the seasonal nature of the company's cash flow. This reserves policy is reviewed annually by the Board in order to ensure its adequacy in relation to the scale of the Company's operations.

At 31 August 2023 there were unrestricted funds carried forward of £2,660,525 (2022: £2,604,564), therefore the reserves policy level of available funds of £1,500,000 has been reached. Given the general economic uncertainty and the budgetary pressures on our main consumer group (schools) it has been agreed that it is appropriate to maintain reserves at a higher level than the policy requires.

The cash balance at the year ended 31 August 2023 stands at £2,944,847 (2022: £2,768,242), an increase on the prior year of £176,605.

Going Concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2022/23 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required.

The Directors have paid close attention to the education landscape and the financial pressures faced by schools (the key customer group). School orders have been closely monitored, particularly in view of the current cost of living crisis and the related pressure on school budgets. Music delivery has now exceeded pre pandemic levels, although prices have not risen in line with inflation mindful of the need to ensure affordability. Income within school support is linked to national education policy and priorities, and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

General

Services For Education (formerly S4E Limited) is a registered charity in England and Wales (No. 1148848) and a company (No. 07739831) limited by guarantee. It was set up by a Memorandum of Association on 15 August 2011 and is governed by its Memorandum and Articles of Association.

Services For Education (SFE) is a unique charity that uses the power of learning and music to create and build confidence amongst children, young people, adults and communities. We aim to bring learning and music to life.

The principal objects of the company are:

- the advancement of education, particularly through the promotion of high-quality teaching and learning;
- the advancement of the care, safety and upbringing of children and young people by:
  - supporting and assisting those in need, their families and carers
  - promoting their health
  - advancing their education
- the advancement of the arts and culture, particularly through the promotion and teaching of music.
- everything we do is delivered with passion and care.

The company continues to focus on the quality of all services provided and to seek to expand both the range of services as well as their geographical reach.

The Board

The Board of Trustees is responsible for the overall governance of Services For Education and meet at least bi-monthly during the year. Two sub-committees of the Board exist: the Birmingham Music Education Partnership sub-committee and the Finance and Audit sub-committee. Trustees are generally asked to join one of these after a couple of months in role, according to their areas of interest and expertise. New trustees are elected and co-opted under the terms of the Articles of Association and following an open recruitment process.

New trustees undertake a comprehensive induction process, which includes meetings with each member of the Senior Leadership Team and follow up meetings as required.

The Board of Trustees, is chaired by Sarah Smith.

Strategic management

Chief Executive

Authority to conduct the day-to-day activities of Services For Education is delegated to the Chief Executive, Sharon Bell, who is responsible for ensuring that the agreed strategy is implemented, and the necessary controls are in place to govern the organisation.

The Chief Executive is supported by the Senior Leadership Team (SLT) which comprises Lindsay Allen (HR Director); Tracy Carlton (Director of Marketing and Business Development); Stuart Birnie (Head of Music Service); Kirsty Jones (Head of School Support Service); Sarah Marshall (Head of Shared Services); and Carl Black (Finance Manager).

The Senior Leadership Team meets weekly, with additional monthly sessions focussing on strategy and long-term planning. A Strategic Oversight Group meets on a fortnightly basis, comprising three members of the Senior Leadership Team and the focus this year has been ensuring the implementation of key processes around costings and recruitment.

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Remuneration Policy for Key Personnel

The remuneration of the Chief Executive is set by the Board of Trustees/Directors based on advice from market recruitment specialists.

The remuneration of senior staff is set by the Chief Executive in consultation with the Chair of Trustees and is based on both advice from market recruitment specialists and on industry benchmarks depending on the discipline of the employee.

Employees

During the FY22-23 period, Services For Education employed 218 staff on average.

Regular weekly communications include an informal Monday video by the Chief Executive and a weekly written communication (In The Know) issued on a Wednesday. A more formal briefing is issued at the start of each term – either in-person at a training event or virtually. Staff Forum meetings are normally held bi-monthly, with additional meetings as required. Minutes from all Staff Forum meetings are shared with staff, normally within 2 weeks of the meeting date, and archive copies are available through the SFE Sharepoint pages at any time. Through these methods and local/departmental updates, colleagues have received regular and consistent information on business performance and planned developments. There were opportunities to bring colleagues together at informal social events in July and December 2023 which were warmly received by staff.

70.6% of colleagues completed the staff survey in January 2023 (2022: 75.3%), resulting in an engagement score of 72% (2022: 74%). Working with the external provider to ensure colleague anonymity, the survey structure has enabled the findings to be reviewed through different lenses, including down to departmental level. This has enabled action planning to be built on the results seen at a local level and encourage engagement through departmental managers.

Diversity and Inclusion

SFE is committed to valuing diversity, encouraging inclusion and eliminating discrimination in both its role as an employer and as a provider of services. Our aim is that our employees are truly representative of all sections of society and work in an environment where everyone is respected and able to perform to the best of their ability.

Our policy is to provide equality and fairness for all in our employment and in our provision of services, and not to discriminate on grounds of gender, marital status, race, ethnic origin, nationality, disability, sexual orientation, religion or age.

SFE opposes all forms of unlawful and unfair discrimination. It is our policy to provide a suitable environment for people with disabilities. All reasonable facilities will be provided for employees with disabilities to perform their roles without difficulty or disadvantage.

We will not tolerate direct or indirect discrimination against any person on grounds of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation, whether in the field of recruitment, terms and conditions of employment, career progression, training, transfer or dismissal.

It is also the responsibility of all employees in their daily actions, decisions and behaviour, to endeavour to promote these concepts, to comply with all relevant legislation and to ensure they do not discriminate against colleagues, customers, suppliers or any other person associated with the business.

In adopting these principles, SFE:

- will not tolerate acts that breach this policy and all such breaches or alleged breaches will be taken seriously, fully investigated and may be subject to disciplinary action, where appropriate.
- fully recognises its legal obligations under all relevant legislation and codes of practice.

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- will allow staff to pursue any matter through the internal procedures which they believe has exposed them to inequitable treatment within the scope of this policy. Copies of these procedures are available to all staff through the website.
- will ensure that all managers understand and maintain their responsibilities and those of their team under this policy.
- will offer opportunities for flexible working patterns, wherever operationally feasible, to help employees to combine a career with their domestic responsibilities.
- will provide equal opportunity to all who apply for vacancies through open competition.
- will select candidates only on the basis of their ability to carry out the job, using a clear and open process.
- will provide all employees with the training and development they need to carry out their job effectively.
- will provide all reasonable assistance to employees who are or who become disabled, making reasonable adjustments wherever possible to provide continued employment. We will ensure an appropriate risk assessment is carried out and that appropriate specialist advice is obtained when necessary.
- will distribute and publicise this policy statement throughout the company.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Directors (who are also Trustees of SFE for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed:

- That so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditor in connection with preparing this report and to establish that the charitable company's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:
Sarah Smith
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Sarah Smith
Chair of Trustees
Date: 18 March 2024

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED

Opinion

We have audited the financial statements of Services for Education Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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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 contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

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:

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company isomplying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the caritable company’s control environment and how the charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the caritable company’s risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

Use of our report

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

Glen Bott FCA (Senior statutory auditor)
for and on behalf of
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
Cubo Birmingham
Office 401, 3rd Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 4 April 2024

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	23,431	1,896,694	1,920,125	2,262,867
Charitable activities	5	4,962,447	-	4,962,447	4,706,399
Investment income	6	38,859	-	38,859	-
Total income		5,024,737	1,896,694	6,921,431	6,969,266
Expenditure on:					
Charitable activities	7	4,968,776	2,066,335	7,035,111	6,812,162
Total expenditure		4,968,776	2,066,335	7,035,111	6,812,162
Net movement in funds		55,961	(169,641)	(113,680)	157,104
Reconciliation of funds:					
Total funds brought forward		2,604,564	222,193	2,826,757	2,669,653
Net movement in funds		55,961	(169,641)	(113,680)	157,104
Total funds carried forward		2,660,525	52,552	2,713,077	2,826,757

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 39 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 07739831

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	11		350,267		463,888
			350,267		463,888
Current assets					
Debtors	12	891,124		888,301	
Cash at bank and in hand		2,944,847		2,768,242	
		3,835,971		3,656,543	
Creditors: amounts falling due within one year	13	(1,473,161)		(1,293,674)	
Net current assets			2,362,810		2,362,869
Total assets less current liabilities			2,713,077		2,826,757
Net assets excluding pension asset			2,713,077		2,826,757
Total net assets			2,713,077		2,826,757
Charity funds					
Restricted funds	14		52,552		222,193
Unrestricted funds	14		2,660,525		2,604,564
Total funds			2,713,077		2,826,757

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Sarah Smith
16F5EFE64D47496...

Sarah Smith
Chair of Trustees

Date: 18 March 2024

The notes on pages 24 to 39 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	16	192,976	222,248
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(16,371)	(34,649)
Net cash used in investing activities		(16,371)	(34,649)
Cash flows from financing activities			
Repayments of borrowing		-	(250,000)
Net cash provided by/(used in) financing activities		-	(250,000)
Change in cash and cash equivalents in the year		176,605	(62,401)
Cash and cash equivalents at the beginning of the year		2,768,242	2,830,643
Cash and cash equivalents at the end of the year	17	2,944,847	2,768,242

The notes on pages 24 to 39 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

Services For Education Limited is a charitable company limited by guarantee and registered and domiciled in England. The address of the registered office is Unit 3, Holt Court, Holt Street, Birmingham Science Park, Aston, Birmingham, B7 4AX.

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Services For Education Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2023/24 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required.

The Directors have paid close attention to the education landscape and the financial pressures faced by schools (the key customer group). School orders have been closely monitored, particularly in view of the current cost of living crisis and the related pressure on school budgets. Music delivery has now exceeded pre pandemic levels, although prices have not risen in line with inflation mindful of the need to ensure affordability. Income within school support is linked to national education policy and priorities, and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

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2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income for services is recognised in the Statement of Financial Activities on a receivable basis on completion of the service.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the term of the lease
Fixtures and fittings	- 25% on a straight line basis
Computer equipment	- 33.3% on a straight line basis
Music instruments	- 10%-13.3% on a straight line basis

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2. Accounting policies (continued)

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

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2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include depreciation rates for tangible fixed assets and their residual values.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	23,431	87,501	110,932
Grants	-	1,809,193	1,809,193
	23,431	1,896,694	1,920,125

Included within Grants there is £1,809,193 from Arts Council England.

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	28,757	75,632	104,389
Grants	-	2,158,478	2,158,478
	28,757	2,234,110	2,262,867

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4. Income from donations and legacies (continued)

Included with Grants there is £1,990,278 from Arts Council England and £168,200 from the Culture Recovery Fund.

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Music	3,959,890	3,959,890
School support	998,981	998,981
Other	3,576	3,576
	4,962,447	4,962,447

	Unrestricted funds 2022 £	Total funds 2022 £
Music	3,667,936	3,667,936
School support	1,033,061	1,033,061
Other	5,402	5,402
	4,706,399	4,706,399

Included within Other is income of £2,632 claimed under the Government's Coronavirus Job Retention Scheme (CJRS).

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	38,859	38,859	-

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7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Music	4,684,421	1,498,547	6,182,968
School support	627,818	223,233	851,051
Other	-	1,092	1,092
	5,312,239	1,722,872	7,035,111

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Music	4,187,190	1,692,165	5,879,355
School support	653,956	272,707	926,663
Other	-	6,144	6,144
	4,841,146	1,971,016	6,812,162

Of the total expenditure on charitable activities in the prior year of £6,812,162; £4,073,553 related to unrestricted funds and £2,738,609 related to restricted funds.

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7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Direct costs - Music 2023 £	Direct costs - School Support 2023 £	Total funds 2023 £
Staff costs	4,153,258	528,027	4,681,285
Depreciation	122,735	-	122,735
Music resources	27,463	-	27,463
Performance costs	171,393	-	171,393
Venue hire	116,847	1,376	118,223
Project costs	-	38,800	38,800
Travel & subsistence	42,689	-	42,689
Training	6,605	-	6,605
Consultancy	43,431	59,615	103,046
	4,684,421	627,818	5,312,239

	Direct costs - Music 2022 £	Direct costs - School Support 2022 £	Total funds 2022 £
Staff costs	3,611,845	486,941	4,098,786
Depreciation	123,899	-	123,899
Music resources	90,382	-	90,382
Performance costs	164,785	-	164,785
Venue hire	104,717	2,178	106,895
Project costs	-	45,796	45,796
Travel & subsistence	41,010	-	41,010
Training	6,970	-	6,970
Consultancy	43,582	119,041	162,623
	4,187,190	653,956	4,841,146

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct costs - Music 2023 £	Direct costs - School Support 2023 £	Direct costs - Other 2023 £	Total funds 2023 £
Staff costs	784,455	104,953	-	889,408
Other staff costs	89,818	13,010	-	102,828
Depreciation	6,385	871	-	7,256
Project costs	62,039	19,123	-	81,162
Travel & subsistence	906	124	-	1,030
Training	29,718	4,052	-	33,770
Office costs	81,713	20,620	-	102,333
Premises costs	214,675	29,274	-	243,949
Insurance	23,365	3,186	-	26,551
Marketing and publicity	46,670	6,364	-	53,034
Professional fees	22,798	3,109	-	25,907
Bank charges	1,808	247	1,092	3,147
Irrecoverable VAT	122,757	16,740	-	139,497
Governance costs	11,440	1,560	-	13,000
	1,498,547	223,233	1,092	1,722,872

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7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Music 2022 £	School support 2022 £	Other 2022 £	Total funds 2022 £
Staff costs	1,056,856	143,616	-	1,200,472
Other staff costs	85,513	12,162	-	97,675
Depreciation	7,415	1,011	-	8,426
Project costs	67,208	48,244	-	115,452
Travel & subsistence	722	98	-	820
Training	30,068	4,100	-	34,168
Office costs	100,313	16,557	-	116,870
Premises costs	132,404	18,055	-	150,459
Insurance	21,871	2,982	-	24,853
Marketing and publicity	49,643	6,770	-	56,413
Professional fees	21,646	2,952	-	24,598
Bank charges	666	91	6,144	6,901
Irrecoverable VAT	107,720	14,689	-	122,409
Governance costs	10,120	1,380	-	11,500
	1,692,165	272,707	6,144	1,971,016

8. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	12,000	10,500
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	1,000	1,000

9. Staff costs

	2023 £	2022 £
Wages and salaries	4,770,940	4,528,804
Social security costs	392,481	377,307
Contribution to defined contribution pension schemes	407,272	393,147
	5,570,693	5,299,258

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9. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2023 No.	2022 No.
Music	190	189
School support	9	8
Administration	19	18
Fundraising	-	1
	218	216

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023 No.	2022 No.
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	2	-
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	-

The total employee benefits received by key management personnel in the year was £636,564 (2022: £610,163).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

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11. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Musical Instruments £	Total £
Cost or valuation					
At 1 September 2022	93,406	134,421	93,919	3,257,621	3,579,367
Additions	-	9,431	-	6,940	16,371
At 31 August 2023	93,406	143,852	93,919	3,264,561	3,595,738
Depreciation					
At 1 September 2022	93,406	124,667	93,919	2,803,487	3,115,479
Charge for the year	-	7,257	-	122,735	129,992
At 31 August 2023	93,406	131,924	93,919	2,926,222	3,245,471
Net book value					
At 31 August 2023	-	11,928	-	338,339	350,267
At 31 August 2022	-	9,754	-	454,134	463,888

12. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	794,083	804,556
Other debtors	3,426	2,650
Prepayments and accrued income	93,615	81,095
	891,124	888,301

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13. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	121,997	99,301
Other creditors	173,667	209,623
Accruals and deferred income	1,177,497	984,750
	1,473,161	1,293,674

	2023 £	2022 £
Deferred income at 1 September 2022	848,989	814,996
Resources deferred during the year	1,311,958	920,004
Amounts released from previous periods	(1,100,555)	(886,011)
	1,060,392	848,989

Deferred income relates to income received in advance of service delivery for 2023/2024.

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14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted funds				
General Funds	2,604,564	5,024,737	(4,968,776)	2,660,525
Restricted funds				
Arts Council England	166,825	1,809,193	(1,976,018)	-
Other	55,368	87,501	(90,317)	52,552
	222,193	1,896,694	(2,066,335)	52,552
Total of funds	2,826,757	6,921,431	(7,035,111)	2,713,077

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14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
General Funds	1,942,961	4,735,156	(4,073,553)	2,604,564
Restricted funds				
Arts Council England	166,825	1,990,278	(1,990,278)	166,825
SACRE	5,480	-	(5,480)	-
Other	95,187	75,632	(115,451)	55,368
Culture Recovery Fund	459,200	168,200	(627,400)	-
	726,692	2,234,110	(2,738,609)	222,193
Total of funds	2,669,653	6,969,266	(6,812,162)	2,826,757

Arts Council England fund is core grant funding to support delivery of the music service.

SACRE is funding to support delivery of statutory religious education duties and school support on matters relating to religious education.

Other restricted funds are an aggregate of smaller donations for specific aspects of our services.

The Culture Recovery Fund provided emergency funding to support the charity with the financial impact of Covid-19 pandemic and to be able to continue it's charitable activities.

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	350,267	-	350,267
Current assets	3,783,419	52,552	3,835,971
Creditors due within one year	(1,473,161)	-	(1,473,161)
Total	2,660,525	52,552	2,713,077

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15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	463,888	-	463,888
Current assets	3,434,350	222,193	3,656,543
Creditors due within one year	(1,293,674)	-	(1,293,674)
Total	2,604,564	222,193	2,826,757

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(113,680)	157,104
Adjustments for:		
Depreciation charges	129,992	132,325
Increase in debtors	(2,823)	(243,512)
Increase in creditors	179,487	176,331
Net cash provided by operating activities	192,976	222,248

17. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	2,944,847	2,768,242
Total cash and cash equivalents	2,944,847	2,768,242

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18. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,768,242	176,605	2,944,847
	2,768,242	176,605	2,944,847

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £407,272 (2022: £393,147).

20. Operating lease commitments

At 31 August 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	44,536	109,246
Later than 1 year and not later than 5 years	38,944	79,770
	83,480	189,016

During the year £109,246 (2022: £89,045) has been recognised as an expense in the Statement of financial activities.

21. Related party transactions

During the year, services totalling £78,255 (2022: £53,836) were provided to Birmingham Diocesan Multi-Academy Trust in which Mrs S E Smith and Miss S Bell are also Directors. At the year end £29,625 (2022: £14,397) was due to Services for Education Limited.

During the year, services totalling £6,050 (2022: £6,500) were provided to All Saints Multi-Academy Trust, Birmingham in which Mrs S E Smith is also a Director. At the year end £Nil (2022: £Nil) was due to Services for Education Limited.

Services For Education Limited

England & Wales - Charity number 1148848

Accounts

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Company number: 07739831
Charity number : 1148848

Services For Education

TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2022

Trustees	Sarah Smith, Chair Selwyn Calvin (resigned 18 July 2022) Laura Williams Philip Davies David Bolton Paul Stone Joanna Cooney Parmjit Singh (resigned 5 December 2022) Martin Hall (appointed 18 July 2022)
Company registered number	07739831
Charity registered number	1148848
Registered office	Unit 3, Holt Court Holt Street Birmingham B7 4AX
Company secretary	David Alcock
Chief executive officer	Sharon Bell
Independent auditor	Cooper Parry Group Limited Chartered Accountants Statutory Auditor Cubo Birmingham Office 401, 4th Floor Two Chamberlain Square Birmingham B3 3AX

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

WHY WE EXIST

Our Vision and Mission

Services for Education is a unique charity that uses the power of learning and of music to transform and enhance the lives of children, young people, adults, and our wider communities.

We bring learning and music to life.

Our work encompasses a broad range of settings, including:

- Teaching pupils learning vocal and traditional instruments – to build technical and performance skills alongside confidence and creativity, and encourage pursuit of music-based careers
- Teaching non-traditional instruments and/or musical styles – to raise the profile of these approaches and encourage the expansion and diversification of musical experiences
- Specialist work with SEND/disadvantaged groups – to increase engagement and attainment
- Specialist work with Early Year settings – to promote a positive start to life and learning
- Our Music School – to support lifelong learning and encourage the love of music amongst young people and adults
- Working with adults – to promote wellbeing and positive mental health in later life
- Bespoke consultancy, advice and professional development programmes – enabling school leaders, educators and governors to raise attainment levels, and develop and implement initiatives that improve health, wellbeing, standards and outcomes to ensure all children and young people realise their full potential academically, physically and emotionally.
- To enable schools, wider educational settings, and those organisations working with children and young people to develop safeguarding policy and practice that ensures the needs of all are recognised and met efficiently and effectively.
- Support, guidance, and development activities to those in the earliest stages of their teaching career in order to enable them to become highly skilled, leading-edge practitioners.

Our Values

Our values are extremely important to us as these underpin our vision and mission:

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CHAIR'S INTRODUCTION

Welcome to our 2021/22 Annual Report and Accounts.

Having navigated the Covid-19 pandemic over the last couple of years, our focus this year has been in working closely with our customers and supporting them to meet the challenges faced by school leaders and teachers, and to re-introduce music and a love of the arts to the classroom. The return of our Gala Youth Proms in Symphony Hall in July 2022 was a fitting end to a year which saw a welcome return to our full range of ensembles and performance opportunities.

It has been inspiring to see how Services For Education has responded over the last few years, and risen to each challenge that has presented itself – I was delighted to be able to join in celebrating that success, when SFE won the Arts and Culture category in the National Charity Awards 2022 – the external recognition from the sector is a powerful endorsement of our work, and the commitment of our talented team.

SFE has taken the important step in embarking on the journey to becoming a more environmentally sustainable organisation. As a charity working across the City of Birmingham and beyond, we are aware that there is an environmental impact of our activities. During the year we have sought to start the conversation, raise awareness amongst colleagues and identify areas for improvement – this is a long-term project, but we are committed to making progress in this area.

I have the immense privilege of seeing the impact of our work, on the children, young people and adults with whom we work. I am grateful to our dedicated colleagues who work for Services For Education, the commitment of my fellow Trustees and the different organisations who generously contribute to the funding of our activities, including Arts Council England.

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Sarah Smith
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Sarah Smith

Chair of Trustees

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TRUSTEES REPORT

The Trustees and Directors of Services For Education Limited present their annual and strategic report and audited financial statements for the year ended 31 August 2022. The company trades under the name Services For Education (SFE) and will be referred to as SFE in the rest of this document.

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 Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Our Approach to Safeguarding

All staff undertake annual safeguarding refresher training. This alternates between face to face, and the SFE online training course. All Music Staff also receive mid-year face to face/online update training to help keep safeguarding at the forefront of people's thinking and embed a professional curiosity. All new staff are required to undertake the online course before commencing delivery for SFE. The SFE lead for Safeguarding carries out an annual review of all training content to ensure this is in line with current policy and guidance (Keeping Children Safe in Education and Working Together to Safeguard Children). SFE has six members of staff who are trained as Designated Safeguarding Leads (DSL), two whom are members of the Senior Leadership Team), and who are required to maintain their status through completing bi-annual update training. A tracker was introduced during 2021/22, to manage and record consistently the status of any safeguarding referral. These six members of staff manage all safeguarding queries and concerns, liaising with schools and external agencies as appropriate. SFE safeguarding policy is reviewed annually. SFE is represented on the Birmingham Safeguarding in Education group to ensure all company practice is aligned to the Birmingham Safeguarding Children Partnership structures and procedures. All colleagues are required to review key policies and guidance on an annual basis and sign to confirm that they have done so.

Our Approach to Fundraising

Services For Education is proud to be registered with the Fundraising Regulator, the independent body which sets and maintains the standards for fundraising in the United Kingdom. We are committed to the Fundraising Promise to ensure our fundraising activities are legal, open, honest, and respectful.

We work closely with an external fundraising consultant bid writer who supports our grants and trusts activity which is currently our main fundraising income generation stream. Our focus this year has been to re-engage with trusts and foundations whose funding priorities changed during the Covid-19 pandemic. This has been an important means of restarting some of our work in non-school settings. We will now turn our attention back to re-building a 3 year pipeline of funds.

From an individual and community perspective the strategy has been to create more compelling story-based and outcome-based communications so that we start to build a relationship with our donors rather than just being transactional in our approach.

In 2021/22 SFE received no complaints about its fundraising activity.

Our Approach to Quality

We pride ourselves in the quality of our services and the professionalism and skills of our highly talented colleagues. As we teach music to 32,000 children per week, and deliver an extensive portfolio of training and consultancy products to school leaders, it is essential that our customer facing teams keep at the forefront of developments and best practice in their fields.

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School Support

Online delivery enabled SFE to continue to deliver much of the training offer during the Covid-19 pandemic, thereby continuing to support school leaders in the most challenging of times. In the period that has followed, the portfolio has transitioned to a mix between on-line and face to face delivery. This has been informed both by customer feedback, but also taking into consideration the subject matter and what is most appropriate for embedding the learning. Delegate feedback continues to be closely monitored to ensure the quality of training. Colleagues continue to be upskilled in digital delivery, in order to ensure a highly engaging and interactive learning experience. School Support continued to enhance its bespoke, consultancy offer ensuring that Education Advisors remained current in their knowledge and understanding of present education issues impacting schools. This professional development for the School Support team was provided via half termly CPD.

Music

We have continued our series of twilight CPD sessions for primary, secondary and special schools. These take place every term and have seen music coordinators sharing best practice with each other and having opportunities to share best practice. Sessions have also seen us supporting them with composition from hub partners BCMG and singing with our vocal team and Ex Cathedra (hub partners). We delivered our schools' Music Conference face to face in April at the MAC with Nate Holder as keynote speaker to present on ED&I in the music curriculum. We looked at the level of need required from schools and provided CPD on:

- Composition in Primary Schools
- Singing – What is a musical school?
- Technology in the classroom
- Building a music curriculum – for secondary teachers aligning to NPME2
- Makaton training
- What the music curriculum looks like in a special school
- Ofsted and Deep Dive support
- Online resources
- Support for ECT teachers in Birmingham

We continue to improve and develop our 'in house' CPD with the wider music team. Through PDR conversations, we continue to offer support on training days to all staff and through departmental training. May saw the return of face-to-face training days at The MAC. There has been a rolling focus on 'Inclusivity Being at the Heart of Everything we do'. Our Essential Skills twilight session continued to run online where we provided support for key areas of delivery, including ABRSM Music Medals, Improvisation in the classroom, WCIT and its place in the curriculum, How to get the best out of your iPad, Inclusive practice, Composing with primary schools and support for new colleagues.

We also provided external CPD from the wider 14 West Midlands Music Services – each Service released their in-house training across the Midlands (online) and we provided support in WCIT, Looked After Children training, Early Years provision and Curriculum Development and Enhancement.

Where possible, we provided lower level 'drop in' support for staff in the summer term. This was a welcome return for face-to-face visits for Heads of Department.

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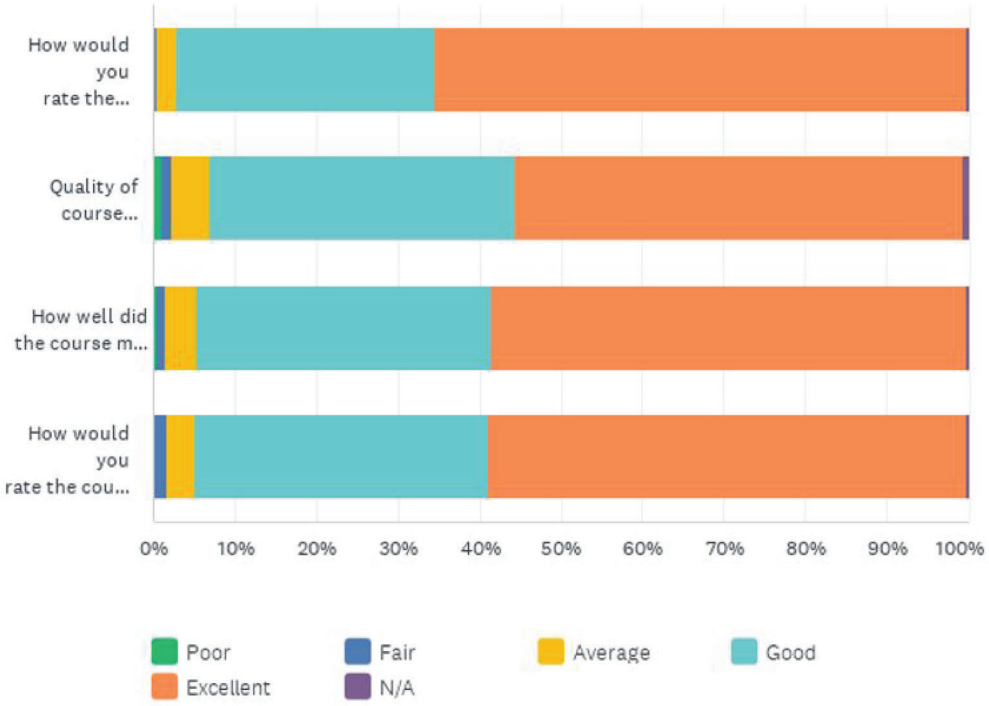
Customer Feedback

Customer feedback is obtained from all course delegates – response rates have improved by collecting feedback online. Our music provision is informally benchmarked in regular conversations with other Music Education Hubs, and we have been leading the way in how we have supported staff, parents and schools. As part of our funding agreement with Arts Council England we receive a quarterly feedback letter. In January 2022 we received several positive observations and we had an overall risk rating of 5 (minor risk = 2-6)

Throughout the move to online delivery the feedback from course delegates has remained positive with 97% of delegates rating trainer delivery as excellent (65%) or good, and 95% rating the course overall as excellent (59%) or good.



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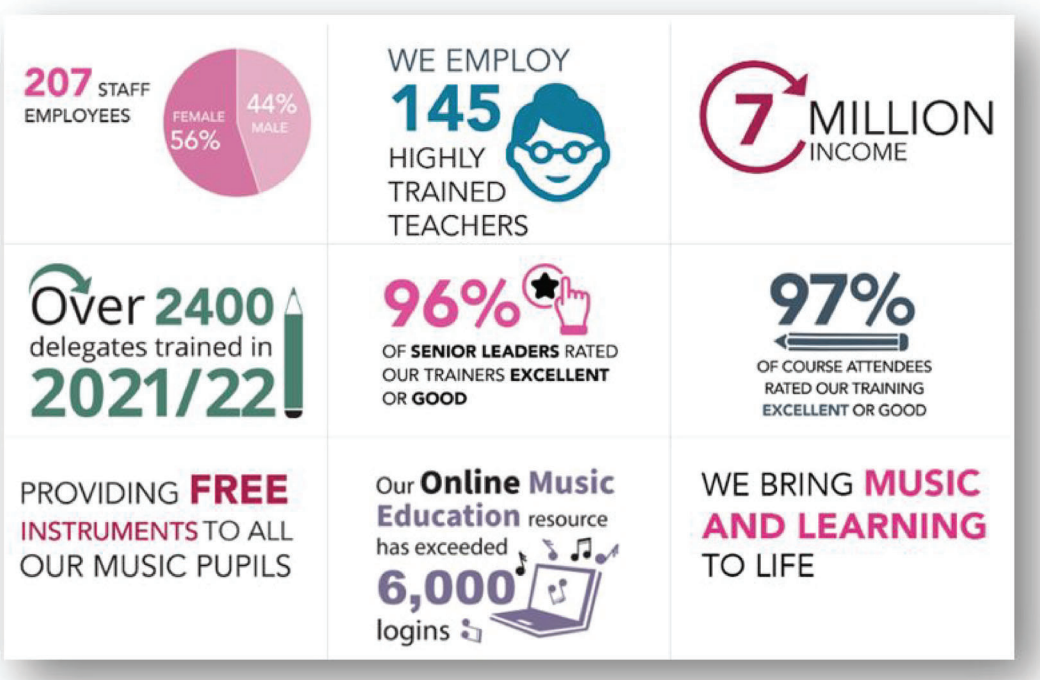
OUR ACHIEVEMENTS AND PERFORMANCE

The Trustees/Directors have taken note of the Charity Commission's guidance on public benefit in reviewing the aims and objectives and in planning activities. In particular, the Trustees/Directors consider how the planned activities contribute to the charity's aims and objectives and they ensure these are carried out for the public benefit by delivering services that are valued by the beneficiaries (school, pupils, teachers, parents) and which deliver clear and definable benefit to those beneficiaries.



The academic year 2021/22 is year two of 'Strategy 2025 – Creating Tomorrow Today', outlining our roadmap for the next five years.

Our ambitions are:

- To revolutionise educational learning to maximise participation, through
  - principles/evidence led educational practices
  - great teachers delivering great learning
  - offering personalised, flexible learning where appropriate
  - supporting the development of employability and skills
  - leading edge services and resources

- To be a key partner for raising standards and attainment in education in our city, region and nationally, through
  - being the distinctive leader in our sector
  - providing agile and collaborative (resourceful, bespoke and/or individualised) solutions
  - leading and stimulating debate on key issues facing the education sector
  - encouraging widening of participation and development of a love of life-long learning for all ages
  - developing a sustainable organisation for the long term that allows us to support and progress key initiatives

- To make important contributions to our society and communities, particularly through our work with disadvantaged groups and young people, through
  - innovation and application of our expertise

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- making a demonstrable impact
- positive alumni and stakeholder engagement

These ambitions will be delivered through six organisation wide themes which all our colleagues can relate to in their work. They are intended to deliver a vibrant, resilient, and agile organisation fully equipped to deliver our vision and charitable purpose.

At the start of year 2 of Strategy 2025, 6 cross cutting strategic projects were identified, in order to deliver against the strategic themes above.

Developing and diversifying culture

- A one-to-one coaching offer is available for all members of Senior Leadership Team and the Music Leadership Team
- A hybrid approach to the working week has been developed, which is tailored to the nature of the work and the needs of the department and the individual
- Staff Survey action planning took place at the departmental level, with a mid-year 'pulse' survey providing a helpful mid-year perspective
- The Wellbeing Champions and Diversity and Inclusion Groups are in their second year of operation, providing regular opportunities for colleagues to drive progress in these key areas in collaboration with senior management

Developing our Customer Journey

- Customer feedback across all areas of work is regularly reviewed in order to identify areas for improvement

Automating and streamlining our systems and processes

- An automated month end process has now been implemented and the associated reporting is embedded across SFE
- All SFE products and sales are now captured in the CRM system
- New IPads rolled out to the music team, in order to better equip them for classroom delivery (any 'old' Ipads have been reviewed and re-purposed as appropriate)
- Trial of a ticketing system for IT queries was introduced
- An external review of our process for the management of grant funded projects was commissioned in order to facilitate continuous improvement

Improving our management information, evidence base and business insights to improve decision making

- New CRM dashboards and reports produced, giving 'real-time' sales data to relevant colleagues and the Senior Leadership Team
- Where opportunities exist, images and or video being captured, with the appropriate permissions, creating a bank of media to support marketing and PR opportunities
- Developing the evidence base in support of major award entries (resulting in SFE being named Charity of the Year in the Arts and Culture category, of the National Charity Awards 2022)
- An electronic bar coding system has been implemented on all central ensemble instruments
- Encouraging the early placement of music orders for the following year, thereby enabling a more efficient approach to timetabling and a reduction of the climate impact (via the reduction of miles travelled between schools within the working day)
- Developed a bespoke online timetabling portal to give teachers access to their timetables electronically which also enables the manipulation of data for management and decision making purposes.

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Product Development and Product Lifestyle Management

- New approach to product costing implemented as part of the annual pricing review, and on any be-spoke products/services delivered in year

Developing the on-line offer

- Digital products included within the across the portfolio have been reviewed and refreshed as necessary (both in content and style of delivery)

RISKS AND UNCERTAINTIES

The Directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A thorough review is undertaken on at least an annual basis, with amendments made during the year as required:

The principal risks identified by the Trustees/Directors are:

- reductions in demand for music and school support services, caused by budgetary pressures as schools and other establishments emerge from lockdown

mitigated by: working closely with customers to align delivery to their circumstances, holding prices for an early booking window

- reductions in funding for music in schools through the Arts Council Grant and/or reductions in school funding which will result in reduced ability or willingness to purchase SFE's services

mitigated by: expansion of services both in type of service and the geographical reach of delivery. Advocacy of the benefits and impact of SFE's services. Engaging with all opportunities to input stakeholder feedback as Arts Council England and the Department for Education consider the parameters for funding music education post Sept 2024.

- changes in education policy impacting income streams in the School Support Service

mitigated by: close monitoring of education landscape and monthly meetings implemented with Birmingham City Council to continually understand direction of travel

- significant increases in core costs such as rent, utilities, employment costs, cost of musical instruments purchase and repair.

mitigated by: active management of suppliers and monitoring of costs

- effective cash management to match the SFE business cycle and episodic revenue profile

mitigated by: Close and frequent cash position monitoring combined with highly proactive invoice payment management and debt collection. During the financial year 2019/20, application approved for Coronavirus Business Interruption Loan Scheme in December 2020. This was drawn down in February 2021 in order to mitigate against continued uncertainty during 2020/21. This loan was paid in full without incurring interest charges on 23 February 2022.

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

General

During 2021/22, our Finance team continued to embed the improvements and efficiencies that had been put in place the previous year. A new monthly reporting regime was implemented from September 2021 which continued to deliver monthly management accounts to a strict reporting timetable with figures provided to the Senior Leadership Team on the 10th working day after each month end. This provided timely and accurate information for decision making. Two budget reforecasts were performed during 2021/22 after production of December and February actuals providing the Board with updated views of the year end position. These were reviewed in detail at meetings of the Finance and Audit Sub-Committee.

There continues to be a strict focus on credit control, and at key points during the year, additional temporary resource has been secured to maintain focus on this area. Debtor balances are reviewed at monthly meetings of the Senior Leadership Team and where appropriate customer facing colleagues are engaged in assisting recovery of difficult debts.

The statement of financial activities shows net income for the year of £157,104 (2021: £932,885). The net income on unrestricted funds was £661,603 (2021: £446,166) and there was a net expenditure of £504,499 on restricted funds (2021: net income of £486,719).

Reserves

It is the policy of the Board that cumulative unrestricted funds available to cover operational costs should be maintained at a minimum figure of £1,500,000. In addition, cash balances should be maintained at a minimum of £1,000,000 throughout any financial year in order to cover any immediate operational costs and to enable the Company to respond to changes in government policy and funding streams, with an increased balance at 31 August in any year of £1,500,000 to reflect the seasonal nature of the company's cash flow. This reserves policy is reviewed annually by the Board in order to ensure its adequacy in relation to the scale of the Company's operations.

At 31 August 2022 there were unrestricted funds carried forward of £2,604,564 (2021: £1,942,961), therefore the reserves policy level of available funds of £1,500,000 has been reached. Day to day operations continue to recover from the Covid-19 pandemic, as does the main consumer group (schools) and so it has been agreed that it is appropriate to maintain reserves at a higher level than the policy requires.

The cash balance at the year ended 31 August 2022 stands at £2,768,242 (2021: £2,830,643), a small decrease on the prior year of £62,401.

Going Concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2022/23 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required.

The Directors have paid close attention to the education landscape and the pressures faced by schools (the key customer group), during the recovery period from the Covid-19 pandemic. School orders have been closely monitored, particularly in view of the current cost of living crisis and the related pressure on school budgets. Music delivery is near to pre pandemic levels, although prices have not risen in line with inflation mindful of the need to ensure affordability. Income within school support is linked to national education policy and priorities, and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

General

Services For Education (formerly S4E Limited) is a registered charity in England and Wales (No. 1148848) and a company (No. 07739831) limited by guarantee. It was set up by a Memorandum of Association on 15 August 2011 and is governed by its Memorandum and Articles of Association.
Services For Education (SFE) is a unique charity that uses the power of learning and music to create and build confidence amongst children, young people, adults and communities. We aim to bring learning and music to life.

The principal objects of the company are:

- the advancement of education, particularly through the promotion of high-quality teaching and learning;
- the advancement of the care, safety and upbringing of children and young people by:
  - supporting and assisting those in need, their families and carers
  - promoting their health
  - advancing their education
- the advancement of the arts and culture, particularly through the promotion and teaching of music.
- everything we do is delivered with passion and care.

The company continues to focus on the quality of all services provided and to seek to expand both the range of services as well as their geographical reach.

The Board

The Board of Trustees is responsible for the overall governance of Services For Education and meet at least bi-monthly during the year. Two sub-committees of the Board exist: the Birmingham Music Education Partnership sub-committee and the Finance and Audit sub-committee. Trustees are generally asked to join one of these after a couple of months in role, according to their areas of interest and expertise. New trustees are elected and co-opted under the terms of the Articles of Association and following an open recruitment process.

New trustees undertake a comprehensive induction process, which includes meetings with each member of the Senior Leadership Team and follow up meetings as required.

The Board of Trustees, is chaired by Sarah Smith.

Strategic management

Chief Executive

Authority to conduct the day-to-day activities of Services For Education is delegated to the Chief Executive, Sharon Bell, who is responsible for ensuring that the agreed strategy is implemented, and the necessary controls are in place to govern the organisation.

The Chief Executive is supported by the Senior Leadership Team (SLT) which comprises Lindsay Allen (HR Director); Tracy Carlton (Director of Marketing and Business Development); Stuart Birnie (Head of Music Service); Kirsty Jones (Head of School Support Service); Sarah Marshall (Head of Shared Services); and Carl Black (Finance Manager). Kirsty Jones was appointed on 5 January 2022, replacing Andrew Cooper who retired in December 2021.

The Senior Leadership Team meets weekly, with additional monthly sessions focussing on strategy and long-term planning. A Strategic Oversight Group meets on a fortnightly basis, comprising three members of the Senior Leadership Team and the focus this year has been ensuring the implementation of key processes around costings and recruitment.

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Remuneration Policy for Key Personnel

The remuneration of the Chief Executive is set by the Board of Trustees/Directors based on advice from market recruitment specialists.

The remuneration of senior staff is set by the Chief Executive in consultation with the Chair of Trustees and is based on both advice from market recruitment specialists and on industry benchmarks depending on the discipline of the employee.

EMPLOYEES

During the FY21-22 period, Services For Education employed 216 staff on average.

Regular weekly communications include an informal Monday video by the Chief Executive and a weekly written communication (In The Know) issued on a Wednesday. A more formal briefing is issued at the start of each term – either in-person at a training event or virtually. Staff Forum meetings are normally held bi-monthly, with additional meetings as required. Minutes from all Staff Forum meetings are shared with staff, normally within 2 weeks of the meeting date, and archive copies are available through the SFE Sharepoint pages at any time. Through these methods and local/departmental updates, colleagues have received regular and consistent information on business performance and planned developments. There were opportunities to bring colleagues together at informal social events in July and December 2022 which were warmly received by staff.

75.3% of colleagues completed the staff survey in January 2022 (2021: 75.2%), resulting in an engagement score of 74% (2021: 75%). Working with the external provider to ensure colleague anonymity, the survey structure has enabled the findings to be reviewed through different lenses, including down to departmental level. This has enabled action planning to be built on the results seen at a local level and encourage engagement through departmental managers.

Diversity and Inclusion

SFE is committed to valuing diversity, encouraging inclusion and eliminating discrimination in both its role as an employer and as a provider of services. Our aim is that our employees are truly representative of all sections of society and work in an environment where everyone is respected and able to perform to the best of their ability.

Our policy is to provide equality and fairness for all in our employment and in our provision of services, and not to discriminate on grounds of gender, marital status, race, ethnic origin, nationality, disability, sexual orientation, religion or age.

SFE opposes all forms of unlawful and unfair discrimination. It is our policy to provide a suitable environment for people with disabilities. All reasonable facilities will be provided for employees with disabilities to perform their roles without difficulty or disadvantage.

We will not tolerate direct or indirect discrimination against any person on grounds of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation, whether in the field of recruitment, terms and conditions of employment, career progression, training, transfer or dismissal.

It is also the responsibility of all employees in their daily actions, decisions and behaviour, to endeavour to promote these concepts, to comply with all relevant legislation and to ensure they do not discriminate against colleagues, customers, suppliers or any other person associated with the business.

In adopting these principles, SFE:

- will not tolerate acts that breach this policy and all such breaches or alleged breaches will be taken seriously, fully investigated and may be subject to disciplinary action, where appropriate.
- fully recognises its legal obligations under all relevant legislation and codes of practice.

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- will allow staff to pursue any matter through the internal procedures which they believe has exposed them to inequitable treatment within the scope of this policy. Copies of these procedures are available to all staff through the website.
- will ensure that all managers understand and maintain their responsibilities and those of their team under this policy.
- will offer opportunities for flexible working patterns, wherever operationally feasible, to help employees to combine a career with their domestic responsibilities.
- will provide equal opportunity to all who apply for vacancies through open competition.
- will select candidates only on the basis of their ability to carry out the job, using a clear and open process.
- will provide all employees with the training and development they need to carry out their job effectively.
- will provide all reasonable assistance to employees who are or who become disabled, making reasonable adjustments wherever possible to provide continued employment. We will ensure an appropriate risk assessment is carried out and that appropriate specialist advice is obtained when necessary.
- will distribute and publicise this policy statement throughout the company.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Directors (who are also Trustees of SFE for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed:

- That so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditor in connection with preparing this report and to establish that the charitable company's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:
Sarah Smith
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Sarah Smith
Chair of Trustees
Date: 20 March 2023

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED

Opinion

We have audited the financial statements of Services for Education Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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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 contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

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

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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:

Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company isomplying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the caritable company’s control environment and how the charitable company has pplied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the caritable company’s risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

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Use of our report

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

Glen Bott FCA (Senior statutory auditor)
for and on behalf of
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
Cubo Birmingham
Office 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 27 March 2023

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	28,757	2,234,110	2,262,867	2,829,688
Charitable activities	5	4,706,399	-	4,706,399	4,386,526
Total income		4,735,156	2,234,110	6,969,266	7,216,214
Expenditure on:					
Charitable activities		4,073,553	2,738,609	6,812,162	6,283,329
Total expenditure		4,073,553	2,738,609	6,812,162	6,283,329
Net movement in funds		661,603	(504,499)	157,104	932,885
Reconciliation of funds:					
Total funds brought forward		1,942,961	726,692	2,669,653	1,736,768
Net movement in funds		661,603	(504,499)	157,104	932,885
Total funds carried forward		2,604,564	222,193	2,826,757	2,669,653

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 22 to 36 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07739831

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £		2021 £	
Fixed assets					
Tangible assets	10		463,888		561,564
			463,888		561,564
Current assets					
Debtors	11	888,301		644,789	
Cash at bank and in hand		2,768,242		2,830,643	
		3,656,543		3,475,432	
Creditors: amounts falling due within one year	12	(1,293,674)		(1,142,343)	
Net current assets			2,826,757		2,894,653
Total assets less current liabilities			2,826,757		2,894,653
Creditors: amounts falling due after more than one year	13		-		(225,000)
Total net assets			2,826,757		2,669,653
Charity funds					
Restricted funds	14		222,193		726,692
Unrestricted funds	14		2,604,564		1,942,961
Total funds			2,826,757		2,669,653

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Sarah Smith
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Sarah Smith
Chair of Trustees
Date: 20 March 2023

The notes on pages 22 to 36 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	16	222,248	1,202,125
Cash flows from investing activities			
Purchase of tangible fixed assets	10	(34,649)	(20,722)
Net cash used in investing activities		(34,649)	(20,722)
Cash flows from financing activities			
Cash inflows from new borrowing		-	250,000
Repayments of borrowing	13	(250,000)	-
Net cash (used in)/provided by financing activities		(250,000)	250,000
Change in cash and cash equivalents in the year		(62,401)	1,431,403
Cash and cash equivalents at the beginning of the year		2,830,643	1,399,240
Cash and cash equivalents at the end of the year	17	2,768,242	2,830,643

The notes on pages 22 to 36 form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

Services For Education Limited is a charitable company limited by guarantee and registered and domiciled in England. The address of the registered office is Unit 3, Holt Court, Holt Street, Birmingham Science Park, Aston, Birmingham, B7 4AX.

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Services For Education Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Directors reviewed and agreed on the budget for the financial year 2022/23 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to regular reforecasting during the year which allows for remedial action to be taken if deemed required.

The Directors have paid close attention to the education landscape and the pressures faced by schools (the key customer group), during the recovery period from the Covid-19 pandemic. School orders have been closely monitored, particularly in view of the current cost of living crisis and the related pressure on school budgets. Music delivery is near to pre pandemic levels, although prices have not risen in line with inflation mindful of the need to ensure affordability. Income within school support is linked to national education policy and priorities, and the delivery portfolio adjusts accordingly. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

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2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income for services is recognised in the Statement of Financial Activities on a receivable basis on completion of the service.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the term of the lease
Fixtures and fittings	- 25% on a straight line basis
Computer equipment	- 33.3% on a straight line basis
Music instruments	- 10%-13.3% on a straight line basis

2.6 Debtors

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

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2. Accounting policies (continued)

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

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

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include depreciation rates for tangible fixed assets and their residual values.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	28,757	75,632	104,389
Grants	-	2,158,478	2,158,478
	28,757	2,234,110	2,262,867

Included within Grants there is £1,990,278 from Arts Council England, £168,200 from the Culture Recovery Fund.

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	31,861	63,253	95,114
Grants	13,750	2,720,824	2,734,574
	45,611	2,784,077	2,829,688

Included with Grants there is £2,011,624 from Arts Council England, £709,200 from the Culture Recovery Fund and £13,750 from Birmingham City Council.

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5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Music	3,667,936	3,667,936
School support	1,033,061	1,033,061
Other	5,402	5,402
	4,706,399	4,706,399

Included within Other is income of £2,632 claimed under the Government's Coronavirus Job Retention Scheme (CJRS).

	Unrestricted funds 2021 £	Total funds 2021 £
Music	2,969,233	2,969,233
School support	1,100,899	1,100,899
Other	316,394	316,394
	4,386,526	4,386,526

Included within Other is income of £316,250 claimed under the Government's Coronavirus Job Retention Scheme (CJRS).

6. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Music	4,187,190	1,692,165	5,879,355
School support	653,956	272,707	926,663
Other	-	6,144	6,144
	4,841,146	1,971,016	6,812,162

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6. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Music	4,136,659	1,229,365	5,366,024
School support	719,940	196,413	916,353
Other	-	952	952
	4,856,599	1,426,730	6,283,329

Analysis of direct costs

	Direct costs - Music 2022 £	Direct costs - School Support 2022 £	Total funds 2022 £
Staff costs	3,611,845	486,941	4,098,786
Depreciation	123,899	-	123,899
Music resources	90,382	-	90,382
Performance costs	164,785	-	164,785
Venue hire	104,717	2,178	106,895
Project costs	-	45,796	45,796
Travel & subsistence	41,010	-	41,010
Training	6,970	-	6,970
Consultancy	43,582	119,041	162,623
	4,187,190	653,956	4,841,146

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Direct costs - Music 2021 £	Direct costs - School Support 2021 £	Total funds 2021 £
Staff costs	3,670,598	547,750	4,218,348
Depreciation	224,823	-	224,823
Music resources	54,761	-	54,761
Performance costs	114,421	-	114,421
Venue hire	9,989	-	9,989
Project costs	-	72,394	72,394
Travel & subsistence	25,734	72	25,806
Training	6,230	-	6,230
Consultancy	30,103	99,724	129,827
	4,136,659	719,940	4,856,599

Analysis of support costs

	Direct costs - Music 2022 £	Direct costs - School Support 2022 £	Direct costs - Other 2022 £	Total funds 2022 £
Staff costs	1,053,179	143,616	-	1,196,795
Other staff costs	89,190	12,162	-	101,352
Depreciation	7,415	1,011	-	8,426
Project costs	67,208	48,244	-	115,452
Travel & subsistence	722	98	-	820
Training	30,068	4,100	-	34,168
Office costs	100,313	16,557	-	116,870
Premises costs	132,404	18,055	-	150,459
Insurance	21,871	2,982	-	24,853
Marketing and publicity	49,643	6,770	-	56,413
Professional fees	21,646	2,952	-	24,598
Bank charges	666	91	6,144	6,901
Irrecoverable VAT	107,720	14,689	-	122,409
Governance costs	10,120	1,380	-	11,500
	1,692,165	272,707	6,144	1,971,016

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6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Music 2021 £	School support 2021 £	Other 2021 £	Total funds 2021 £
Staff costs	784,509	106,978	-	891,487
Other staff costs	70,631	9,632	-	80,263
Depreciation	14,076	1,919	-	15,995
Project costs	21,942	13,792	-	35,734
Travel & subsistence	3,714	507	-	4,221
Training	19,740	2,960	-	22,700
Office costs	46,660	24,067	-	70,727
Premises costs	103,048	14,052	-	117,100
Insurance	18,036	2,460	-	20,496
Marketing and publicity	34,796	4,745	-	39,541
Professional fees	29,388	4,007	-	33,395
Bank charges	642	87	952	1,681
Irrecoverable VAT	71,878	9,802	-	81,680
Governance costs	10,305	1,405	-	11,710
	1,229,365	196,413	952	1,426,730

7. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	10,500	10,500
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	1,000	1,000

8. Staff costs

	2022 £	2021 £
Wages and salaries	4,525,127	4,381,355
Social security costs	377,307	344,592
Contribution to defined contribution pension schemes	393,147	383,888
	5,295,581	5,109,835

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8. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2022 No.	2021 No.
Music	189	203
School support	8	9
Administration	18	18
Fundraising	1	1
	216	231

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	1	3
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	1

The total employee benefits received by key management personnel in the year was £610,163 (2021: £648,217).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

10. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Musical Instruments £	Total £
Cost or valuation					
At 1 September 2021	93,406	132,546	93,919	3,224,847	3,544,718
Additions	-	1,875	-	32,774	34,649
At 31 August 2022	93,406	134,421	93,919	3,257,621	3,579,367
Depreciation					
At 1 September 2021	93,406	116,241	93,919	2,679,588	2,983,154
Charge for the year	-	8,426	-	123,899	132,325
At 31 August 2022	93,406	124,667	93,919	2,803,487	3,115,479
Net book value					
At 31 August 2022	-	9,754	-	454,134	463,888
At 31 August 2021	-	16,305	-	545,259	561,564

11. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	804,556	585,487
Other debtors	2,650	23,698
Prepayments and accrued income	81,095	35,604
	888,301	644,789

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12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	-	25,000
Trade creditors	99,301	37,592
Other creditors	209,623	166,047
Accruals and deferred income	984,750	913,704
	1,293,674	1,142,343

	2022 £	2021 £
Deferred income at 1 September 2021	814,996	718,491
Resources deferred during the year	920,004	990,932
Amounts released from previous periods	(886,011)	(894,427)
	848,989	814,996

Deferred income relates to income received in advance of service delivery for 2022/2023.

13. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	-	225,000

The above Bank loan is a CBILS Loan with Lloyds Bank for £250,000 repayable over a period of 60 months commencing 13 months after the drawdown date. The interest rate is 2.48% plus the base rate. The amount repayable after more than 5 years is £25,000. After the balance sheet date it was agreed that the CBILS Loan would be repaid in full within 1 year. The loan of £250,000 was repaid in full to Lloyds in February 2022 before interest became chargeable.

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14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
General Funds	1,942,961	4,735,156	(4,073,553)	2,604,564
Restricted funds				
Arts Council England	166,825	1,990,278	(1,990,278)	166,825
SACRE	5,480	-	(5,480)	-
Other	95,187	75,632	(115,451)	55,368
Culture Recovery Fund	459,200	168,200	(627,400)	-
	726,692	2,234,110	(2,738,609)	222,193
Total of funds	2,669,653	6,969,266	(6,812,162)	2,826,757

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14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
General Funds - all funds	1,496,795	4,432,137	(3,985,971)	1,942,961
Restricted funds				
Arts Council England	166,825	2,011,624	(2,011,624)	166,825
SACRE	5,480	-	-	5,480
Other	67,668	63,253	(35,734)	95,187
Culture Recovery Fund	-	709,200	(250,000)	459,200
	239,973	2,784,077	(2,297,358)	726,692
Total of funds	1,736,768	7,216,214	(6,283,329)	2,669,653

Arts Council England fund is core grant funding to support delivery of the music service.

SACRE is funding to support delivery of statutory religious education duties and school support on matters relating to religious education.

Other restricted funds are an aggregate of smaller donations for specific aspects of our services.

The Culture Recovery Fund provided emergency funding to support the charity with the financial impact of Covid-19 pandemic and to be able to continue it's charitable activities.

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	463,888	-	463,888
Current assets	3,434,350	222,193	3,656,543
Creditors due within one year	(1,293,674)	-	(1,293,674)
Total	2,604,564	222,193	2,826,757

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15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	561,564	-	561,564
Current assets	2,748,740	726,692	3,475,432
Creditors due within one year	(1,142,343)	-	(1,142,343)
Creditors due in more than one year	(225,000)	-	(225,000)
Total	1,942,961	726,692	2,669,653

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	157,104	932,885
Adjustments for:		
Depreciation charges	132,325	240,818
Increase in debtors	(243,512)	(122,243)
Increase in creditors	176,331	150,665
Net cash provided by operating activities	222,248	1,202,125

17. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	2,768,242	2,830,643
Total cash and cash equivalents	2,768,242	2,830,643

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18. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,830,643	(62,401)	2,768,242
Debt due within 1 year	(25,000)	25,000	-
Debt due after 1 year	(225,000)	225,000	-
	2,580,643	187,599	2,768,242

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £393,147 (2021: £383,888).

20. Operating lease commitments

At 31 August 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	109,246	89,045
Later than 1 year and not later than 5 years	79,770	113,090
	189,016	202,135

During the year £89,045 (2021: £65,000) has been recognised as an expense in the Statement of financial activities.

21. Related party transactions

During the year, services totalling £53,826 (2021: £62,435) were provided to Birmingham Diocesan Multi-Academy Trust in which Mrs S E Smith is also a Director and in which Miss S Bell became a Director in January 2023. At the year end £14,397 (2021: £13,998) was due to Services for Education Limited.

During the year, services totalling £6,500 (2021: £6,074) were provided to All Saints Multi-Academy Trust, Birmingham in which Mrs S E Smith is also a Director. At the year end £Nil (2021: £Nil) was due to Services for Education Limited.

Services For Education Limited

England & Wales - Charity number 1148848

Accounts

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Company number: 07739831
Charity number : 1148848

Services For Education

TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	Sarah Smith, Chair Selwyn Calvin Martin Chitty (resigned 31 August 2021) Matthew Clements-Wheeler (resigned 31 August 2021) Laura Williams Philip Davies (appointed 1 September 2020) David Bolton (appointed 1 September 2020) Paul Stone (appointed 1 September 2020) Joanna Cooney (appointed 24 May 2021) Parmjit Singh (appointed 24 May 2021)
Company registered number	07739831
Charity registered number	1148848
Registered office	Unit 3, Holt Court Holt Street Birmingham B7 4AX
Company secretary	David Alcock
Chief executive officer	Sharon Bell
Independent auditor	Cooper Parry Group Limited Chartered Accountants Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

WHY WE EXIST

Our Vision and Mission

Services for Education is a unique charity that uses the power of learning and of music to transform and enhance the lives of children, young people, adults, and our wider communities.

We bring learning and music to life.

Our work encompasses a broad range of settings, including:

- Teaching pupils learning vocal and traditional instruments – to build technical and performance skills alongside confidence and creativity, and encourage pursuit of music-based careers
- Teaching non-traditional instruments and/or musical styles – to raise the profile of these approaches and encourage the expansion and diversification of musical experiences
- Specialist work with SEND/disadvantaged groups – to increase engagement and attainment
- Specialist work with Early Year settings – to promote a positive start to life and learning
- Our Music School – to support lifelong learning and encourage the love of music amongst young people and adults
- Working with adults – to promote wellbeing and positive mental health in later life
- Bespoke consultancy, advice and professional development programmes – enabling school leaders, educators and governors to raise attainment levels, and develop and implement initiatives that improve health, wellbeing, standards and outcomes to ensure all children and young people realise their full potential academically, physically and emotionally.
- To enable schools, wider educational settings, and those organisations working with children and young people to develop safeguarding policy and practice that ensures the needs of all are recognised and met efficiently and effectively.
- Support, guidance, and development activities to those in the earliest stages of their teaching career in order to enable them to become highly skilled, leading edge practitioners.

Our Values

Our values are extremely important to us as these underpin our vision and mission:

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CHAIR'S INTRODUCTION

Welcome to our 2020/21 Annual Report and Accounts. An incredible year in which, despite all the pressures, we achieved remarkable outcomes to benefit the young people and citizens of Birmingham. We have transformed ourselves to deliver our services and our support in a virtual environment. And whilst the pandemic has tested us, it has also brought out the very best.

As an organisation, we have become more responsive. As a team, we have become more agile – and as partners to our customers, schools and the community, we have become more engaged.

It is, of course, always encouraging to witness success – especially when achieved in difficult times. We take pride in the fact that our successes have been endorsed independently. In recent months, we have been honoured to receive several significant award wins, regionally and nationally including the Music and Drama Education Award for Outstanding Music Education Resource and the Greater Birmingham Chambers of Commerce Award for Excellence in Education and Training.

The challenges posed by Covid-19 continue to shape our day-to-day operations. However, we are building on our learnings since March 2020 and planning for future growth, extending our reach and continuing to bring music and learning to life.

None of this would have been achievable without the enthusiasm and continuing commitment of our staff, trustees, stakeholders and, of course, our donors and funders including Arts Council England. We were fortunate to receive two grants from the Cultural Recovery Fund which have been pivotal in stabilising our operations in turbulent times. We will never be able to express sufficient gratitude for those who have supported us – and continue to do so – in a myriad of ways.

Sarah Smith

Chair of Trustees

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TRUSTEES REPORT

The Trustees and Directors of Services For Education Limited present their annual and strategic report and audited financial statements for the year ended 31 August 2021. The company trades under the name Services For Education (SFE) and will be referred to as SFE in the rest of this document.

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 Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Our Approach to Safeguarding

All staff undertake annual safeguarding refresher training. This alternates between face to face, and the SFE online training course. All Music Staff now receive mid-year face to face/online update training to help keep safeguarding measures live. All new staff are required to undertake the online course before commencing delivery for SFE. The SFE lead for Safeguarding carries out an annual review of all training content to ensure this is in line with current policy and guidance (Keeping Children Safe in Education and Working Together to Safeguard Children). SFE has five members of staff who are trained as Designated Safeguarding Leads (DSL), and who are required to maintain their status through completing bi-annual update training. These five members of staff manage all safeguarding queries and concerns, liaising with schools and external agencies as appropriate. SFE safeguarding policy is reviewed annually. SFE is represented on the Birmingham Safeguarding in Education group to ensure all company practice is aligned to the Birmingham Safeguarding Children Partnership structures and procedures.

Our Approach to Fundraising

Services For Education is proud to be registered with the Fundraising Regulator, the independent body which sets and maintains the standards for fundraising in the United Kingdom. We are committed to the Fundraising Promise to ensure our fundraising activities are legal, open, honest, and respectful.

We work closely with an external fundraising consultant bid writer who supports our grants and trusts activity which is currently our main fundraising income generation stream. Our focus this year has been to keep our trusts and funding bodies up-to-date about the impact covid has had upon our funded projects. The strategy has been to build a three-year pipeline of funds which was on track until the pandemic hit, the plan moving forward will be to rebuild that pipeline.

From an individual and community perspective the strategy has been to create more compelling story-based and outcome-based communications so that we start to build a relationship with donors rather than just being transactional in our approach.

We are continuing to build relationships with corporates, through an approach based around six key ways corporates can support and engage with SFE:

- Charity of the year
- Sponsorship
- Affinity marketing
- Payroll Giving
- Stock Partnerships
- Strategic Partnerships

In 2020/21 SFE received no complaints about its fundraising activity.

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Our Approach to Quality

We pride ourselves in the quality of our services and the professionalism and skills of our highly talented colleagues. As we teach music to 34,000 children per week, and deliver an extensive portfolio of training and consultancy products to school leaders, it is essential that our customer facing teams keep at the forefront of developments and best practice in their fields.

School Support

Online delivery continued to be the main delivery vehicle for our published programme and also in school bespoke sessions. As it emerged that this would be a longer-term solution to the issues raised by the pandemic and lockdown, delegate feedback was closely monitored to ensure the quality of training was maintained, and any issues with remote learning identified as quickly as possible. Staff undertook a programme of CPD to develop their skills and approaches to online training in order to create an experience that was no lesser than the traditional face to face model, and ensure online sessions were as interactive as possible. At points where face to face delivery was possible, schools were given the option where possible of returning to physical sessions or remaining online.

Music

Throughout the pandemic, we have continued our series of twilight CPD sessions for primary, secondary and special schools. These take place every term and have seen music coordinators sharing best practice with each other on how they have coped during COVID-19 and online learning. Sessions have also seen us supporting them with composition from hub partners BCMG and singing with our vocal team and Ex Cathedra (hub partners). We delivered our schools' Music Conference online, which was three evenings of online content for music coordinators across the city. We looked at the level of need required from schools and provided CPD on:

- Composition in Primary Schools
- Singing – What is a musical school?
- Technology in the classroom
- Building a music curriculum – using the new Model Music Curriculum as a starter
- Makaton training
- Ofsted and Deep Dive support
- Online resources

We continue to improve and develop our 'in house' CPD with the wider music team. Since January 2021, we have staged weekly twilight 'drop ins' for the music team. These have focussed on rolling out our whole portfolio including WCIT and CMS online during lockdown 3. We also had sessions on Makaton, behaviour management, managing workload, large group teams lessons, using online whiteboards and playback software. Our Essential Skills twilight session continued to run online where we provided support for key areas of delivery.

We also provided external CPD from the wider 14 West Midlands Music Services – each Service released their in-house training across the Midlands (online) and we provided support in WCIT, Looked After Children training, Early Years provision and Curriculum Development and Enhancement.

Where possible, we provided lower level 'drop in' support for staff in the summer term. This was a welcome return for face-to-face visits for Heads of Department.

Customer Feedback

Customer feedback is obtained from all course delegates – response rates have improved by collecting feedback online. Our music provision is informally benchmarked in regular conversations with other Music Education Hubs, and we have been leading the way in how we have supported staff, parents and schools.

Throughout the move to online delivery the feedback from course delegates has remained positive with 97% of

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delegates rating trainer delivery as excellent (72%) or good, and 96% rating the course overall as excellent (66%) or good.

Despite continuing to charge our standard fees at a time when there was an excess of free or low-cost online training, we saw no drop off in delegate numbers. As face-to-face sessions returned there was not a noticeable change in either delegate numbers or responses to the online offer.

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OUR ACHIEVEMENTS AND PERFORMANCE

The Trustees/Directors have taken note of the Charity Commission's guidance on public benefit in reviewing the aims and objectives and in planning activities. In particular, the Trustees/Directors consider how the planned activities contribute to the charity's aims and objectives and they ensure these are carried out for the public benefit by delivering services that are valued by the beneficiaries (school, pupils, teachers, parents) and which deliver clear and definable benefit to those beneficiaries.

The academic year 2020/21 is year one of 'Strategy 2025 – Creating Tomorrow Today', outlining our roadmap for the next five years.

Our ambitions are:

- To revolutionise educational learning to maximise participation, through
  - principles/evidence led educational practices
  - great teachers delivering great learning
  - offering personalised, flexible learning where appropriate
  - supporting the development of employability and skills
  - leading edge services and resources

- To be a key partner for raising standards and attainment in education in our city, region and nationally, through
  - being the distinctive leader in our sector
  - providing agile and collaborative (resourceful, bespoke and/or individualised) solutions
  - leading and stimulating debate on key issues facing the education sector
  - encouraging widening of participation and development of a love of life-long learning for all ages
  - developing a sustainable organisation for the long term that allows us to support and progress key initiatives

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- To make important contributions to our society and communities, particularly through our work with disadvantaged groups and young people, through
  - innovation and application of our expertise
  - making a demonstrable impact
  - positive alumni and stakeholder engagement

These ambitions will be delivered through six organisation wide themes which all our colleagues can relate to in their work. They are intended to deliver a vibrant, resilient, and agile organisation fully equipped to deliver our vision and charitable purpose.

Key achievements in each of these streams are highlighted below:

Maximise Impact and Results

Our priority during 2020/21 has been in maintaining delivery throughout the pandemic across all streams of activity within School Support and Music. Risk assessments have been constantly updated, adapting as necessary for the guidance impacting schools. The decision to convene virtual music ensembles was an important foundation for restarting in person post the year end (Sep 2021). The decision was taken to remain in our current premises for the next two years, so that we could better understand our ongoing space requirements, considering the impact of Covid-19 on ways of working and customer preferences. The use of our CRM system has been significantly enhanced during the year, allowing for accurate reporting of the music order book and bespoke School Support products. This means that all our course sales information is now accessible from one central system.

Deliver Sustainable Growth

Our focus within Music has been to re-engage schools who may have suspended provision during Lockdown 1, and to make progress back to pre-pandemic levels of activity. As society continues to navigate Covid-19, this is an ongoing work in progress. The move to online training has enabled our footprint to grow, and we have welcomed attendees from across the UK selling in total 2005 course places. Both teams had the opportunity to deliver a virtual workshop overseas.

A new pricing strategy and associated model has been introduced, ensuring the true costs of a bespoke piece of work are captured – informed pricing decisions can then be driven by this information. Existing product lines have been reviewed in light of this model.

A new safe-guarding subscription service was successfully launched with 55 schools using this product in its first year.

Excellence in Practice

National recognition for our work has been received (winner of Outstanding Music Education Resource in the

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national Music and Drama Education Awards 2021, and Excellence in Training and Education, Greater Birmingham Chambers of Commerce Awards 2021) and improved the external brand reputation and recognition of SFE.

Through an integrated marketing campaign, the highest number of recruits since 2014/15 were recruited onto the Initial Teacher Training Programme starting in Sept 2021.

Key processes have been reviewed highlighting areas for development in the forthcoming year. An outcome of this work will be to seek greater automation in the month end processes during Autumn 2021.

Develop Effective Strategic Partnerships

As the lead organisation for the Birmingham Music Education Partnership, working in collaboration with Arts Council England and other leading cultural organisations across the City is key to our work. We value our relationships with these partners, ensuring that the offer is strong for the children and young people of Birmingham.

We work **closely** with Birmingham City Council across a number of areas, and it has been encouraging to see a growth in our work with Virtual School pupils, for whom the access to music tuition became very important, particularly during Lockdown 1.

Inspire and Engage

We welcomed five new trustees onto our Board during the financial year, all who had been inspired by our vision as an organisation and the impact that we have. In doing so we increased the breadth of experience and diversity of the Board. We have created more opportunities for colleagues to get involved in areas which impact all of SFE. Wellbeing Champions and members of a Diversity and Inclusion Group were recruited towards the end of the financial year and we look forward to their work in 2021/22.

Innovation and Creativity

This has been the theme which has defined the approach to all of our work during the period. Every team has demonstrated continual innovation and creativity to ensure continuity of service, alongside the government guidance in place at any given time.

RISKS AND UNCERTAINTIES

The Directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A thorough review is undertaken on at least an annual basis, with amendments made during the year as required.

The principal risks identified by the Trustees/Directors are:

- reductions in demand for music and school support services, caused by recurring lockdowns stemming from Covid-19 and/or subsequent pandemics

mitigated by: enabling delivery of all our services through virtual platforms, working closely with customers to align delivery to their circumstances, enabling all colleagues to work from home when required

- reductions in funding for music in schools through the Arts Council Grant and/or reductions in school funding which will result in reduced ability or willingness to purchase SFE's services

mitigated by: expansion of services both in type of service and the geographical reach of delivery. Advocacy of the benefits and impact of SFE's services.

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- changes in education policy impacting income streams in the School Support Service

mitigated by: close monitoring of education landscape and monthly meetings implemented with Birmingham City Council to continually understand direction of travel

- significant increases in core costs such as rent, utilities, employment costs, cost of musical instruments purchase and repair.

mitigated by: active management of suppliers and monitoring of costs

- effective cash management to match the SFE business cycle and episodic revenue profile

mitigated by: Close and frequent cash position monitoring combined with highly proactive invoice payment management and debt collection. During the financial year 2019/20, application approved for Coronavirus Business Interruption Loan Scheme in December 2020. This was drawn down in February 2021 in order to mitigate against continued uncertainty during 2020/21.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

General

Monthly management accounts continued to be delivered to a strict reporting timetable with figures provided to SLT on the 10th working day after each month end. This provides timely information for decision making. A budget reforecast was performed after the production of December actuals, and again during the annual budget process. Close financial monitoring was a priority item on all Board meetings as we continued to navigate the uncertainties caused by Covid-19 restrictions and associated lockdowns, and their impact in schools. Subsequent to the year-end we have implemented a Finance and Audit Sub – Committee, enabling a subgroup of Trustees to have a more in-depth focus on financial performance between meetings of the main Board.

There continues to be a strict focus on credit control. The aged profile of debtor balances improved during the year and this trend has continued since the year end. Debtor balances are reviewed at weekly meetings of the Senior Leadership Team and where appropriate customer facing colleagues are engaged in assisting recovery of difficult debts.

The statement of financial activities shows net income for the year of £932,885 (2020: £109,059). The net income on unrestricted funds was £446,166 (2020: £80,683) and there was a net income of £486,719 on restricted funds (2020: £28,376).

Despite a reduction in unrestricted income year on year of £327,518, predominantly caused by reduced school orders for music tuition and reduced demand for our training course offer, this was more than offset by a reduction in unrestricted expenditure of £693,001. Control of costs was seen as vital in order to navigate the difficulties imposed on our customer base by the Covid 19 pandemic, and the corresponding impact on the charity. Additionally, we were able make use of the flexible nature of the furlough scheme (and the extensions to the duration of this scheme) which boosted CJRS receipts by £105,290 year on year.

During 2020/21, income from grants were critical in supporting the charity to continue providing their charitable activities. Our core grant was received from Arts Council England totalling £2,011,624 (2020: £2,027,567) and then from the Culture Recovery Fund (CRF) totalling £709,200 (2020: £nil). The Culture Recovery Fund provided emergency funding to support the charity with the financial impact and ongoing uncertainties of the Covid-19 pandemic. Specifically, the Cultural Recovery Fund (CRF) has helped the charity to support schools who are slowly and cautiously re-introducing music to the curriculum. In a normal year the majority of music orders would have been placed by September, however, schools have been placing orders throughout the year causing the timetabling of teaching to be less efficient and therefore the charity has incurred greater delivery costs (e.g. a greater number of visits being required to a school setting). The CRF supports project costs incurred until the end of December 2021, and therefore post year end continues to support music in an

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increased number of settings in Autumn 2021.

Reserves

It is the policy of the Board that cumulative unrestricted funds available to cover operational costs should be maintained at a minimum figure of £1,500,000. In addition, cash balances should be maintained at a minimum of £1,000,000 throughout any financial year. This is to cover any immediate operational costs and to enable the charity to respond to changes in government policy and funding streams, with an increased balance at 31 August in any year of £1,500,000 reflecting the seasonal nature of the cash flow. This reserves policy is reviewed annually by the Board in order to ensure its adequacy in relation to the scale of the Company's operations.

At 31 August 2021 there were unrestricted funds carried forward of £1,942,961 (2020: £1,496,795), therefore the reserves policy level of available funds of £1,500,000 has been exceeded.

Whilst year end cash levels and reserves are in excess of those stated within policy, this is felt by Trustees to be a temporary situation whilst uncertainty remains around the buying behaviour and patterns of school customers in the next 18-24 months. Current forecasts indicate it will take time before a return to pre pandemic orders. Consequently, a deficit budget has been set for 2021/22 although through on-going cost control, the aim will be to break even. Trustees recognise that the increase in unrestricted reserves may support investment which may be an enabler for greater operational efficiency – which in turn would support the transition from future deficit forecasts, through to break even. Following the stabilisation of activity post pandemic, Trustees will review the Reserves Policy to ensure that it is fit for purpose.

The cash balance at the year ended 31 August 2021 stands at £2,830,643 (2020: £1,399,240), an increase on the prior year of £1,431,403 and for the reasons outlined above, is in excess of the £1m minimum level set despite the challenges of the last year.

The cash balance has benefited from the receipt of Culture Recovery Grants of £709,200 and a loan from Lloyds of £250,000 under the Coronavirus Business Interruption Loan Scheme. These receipts have helped the organisation to navigate potential cashflow difficulties during the Covid 19 pandemic. Due to the better than originally forecast cashflow situation, the loan of £250,000 was repaid in full to Lloyds in February 2022 before interest became chargeable. The remaining excess cash will support the organisation to invest and grow as the effects of the pandemic diminish.

Going Concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2021/22 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to reforecasting quarterly during the year which allows for remedial action to be taken if deemed required.

The Directors have specifically considered the impact of the Covid-19 pandemic on the continuing operations of the charity. Financial projections and cashflow forecasts have been prepared by Senior Leadership Team which have been updated on a regular basis and reported to Directors accordingly. Whilst it is evident that the Covid-19 pandemic will continue to have a significant impact on the 2021/22 results, with a budgeted deficit. A reforecast performed after the December 2021 actuals has reduced this deficit. Through careful financial management, a break-even position is likely to be realised. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

General

Services For Education (formerly S4E Limited) is a registered charity in England and Wales (No. 1148848) and a company (No. 07739831) limited by guarantee. It was set up by a Memorandum of Association on 15 August

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2011 and is governed by its Memorandum and Articles of Association.

Services For Education (SFE) is a unique charity that uses the power of learning and music to create and build confidence amongst children, young people, adults and communities. We aim to bring learning and music to life.

The principal objects of the company are:

- the advancement of education, particularly through the promotion of high-quality teaching and learning;
- the advancement of the care, safety and upbringing of children and young people by:
  - supporting and assisting those in need, their families and carers
  - promoting their health
  - advancing their education
- the advancement of the arts and culture, particularly through the promotion and teaching of music.
- everything we do is delivered with passion and care.

The company continues to focus on the quality of all services provided and to seek to expand both the range of services as well as their geographical reach.

The Board

The Board of Trustees is responsible for the overall governance of Services For Education and meet at least bi-monthly during the year. More regular meetings have taken place when required to address the ongoing challenges caused by the Covid-19 pandemic. New trustees are elected and co-opted under the terms of the Articles of Association and following an open recruitment process.

New trustees undertake a comprehensive induction process, which includes meetings with each member of the Senior Leadership Team and follow up meetings as required.

The Chair of Trustees, Martin Chitty retired at the Board meeting on 29 March 2021 and was replaced by Sarah Smith.

Strategic management

Chief Executive

Authority to conduct the day-to-day activities of Services For Education is delegated to the Chief Executive, Sharon Bell, who is responsible for ensuring that the agreed strategy is implemented, and the necessary controls are in place to govern the organisation.

The Chief Executive is supported by the Senior Leadership Team (SLT) which comprises Lindsay Allen (HR Director); Tracy Carlton (Marketing and Business Development Director); Stuart Birnie (Head of Music Service); Andrew Cooper (Head of School Support Service); Sarah Marshall (Head of Shared Services); and Carl Black (Finance Manager).

The Senior Leadership Team meets weekly, with additional monthly sessions focussing on strategy and long-term planning. A Strategic Oversight Group meets on a fortnightly basis, comprising three members of the Senior Leadership Team and the focus this year has been ensuring the implementation of key processes around costings and recruitment.

Remuneration Policy for Key Personnel

The remuneration of the Chief Executive is set by the Board of Trustees/Directors based on advice from market recruitment specialists.

The remuneration of senior staff is set by the Chief Executive in consultation with the Chair of Trustees and is

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based on both advice from market recruitment specialists and on industry benchmarks depending on the discipline of the employee.

EMPLOYEES

During the FY20-21 period, Services For Education employed 231 staff on average.

The financial year involved a further period of school closures, and so there was another period when all our colleagues were working from home. During Lockdown 1 we were able to ensure that everyone had the access to the systems and equipment to perform their role. Self-assessment checklists to confirm the suitability of the temporary homeworking environment were re-circulated and actioned, as necessary. Use was made of the Coronavirus Job Retention Scheme (furlough) where insufficient work was available to meet contracted weekly hours. This was reviewed and updated at least monthly as changes were made to school orders, with use of the scheme peaking around February 2021 before reducing as schools started to reopen.

Regular weekly communications include an informal Monday video by the Chief Executive and a weekly written communication (In The Know) issued on a Wednesday. Staff Forum meetings are normally held bi-monthly, but have been held monthly during the pandemic. Minutes from all Staff Forum meetings are shared with staff, normally within 2 weeks of the meeting date, and archive copies are available through the SFE Sharepoint pages at any time. Through these methods and local/departmental updates, colleagues have received regular and consistent sources of information during an uncertain period. There was an opportunity to bring colleagues together at an informal social in July 2021 which was warmly received by staff.

We are grateful to the members of the Staff Forum who have worked closely with the Senior Leadership Team during this period and helped us shape the business responses to the challenges that have arisen.

75.2% of colleagues completed the staff survey in May 2021 (2020: 64.3%), resulting in an engagement score of 75% (2020: 81%). Working with the external provider, the 2021 survey moved to using pre-populated demographic data whilst maintaining colleague anonymity. This has resulted in more granular reporting functionality which has allowed us to identify and respond to particular areas of good practice and/or concern.

Diversity and Inclusion

SFE is committed to valuing diversity, encouraging inclusion and eliminating discrimination in both its role as an employer and as a provider of services. Our aim is that our employees are truly representative of all sections of society and work in an environment where everyone is respected and able to perform to the best of their ability.

Our policy is to provide equality and fairness for all in our employment and in our provision of services, and not to discriminate on grounds of gender, marital status, race, ethnic origin, nationality, disability, sexual orientation, religion or age.

SFE opposes all forms of unlawful and unfair discrimination. It is our policy to provide a suitable environment for people with disabilities. All reasonable facilities will be provided for employees with disabilities to perform their roles without difficulty or disadvantage.

We will not tolerate direct or indirect discrimination against any person on grounds of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation, whether in the field of recruitment, terms and conditions of employment, career progression, training, transfer or dismissal.

It is also the responsibility of all employees in their daily actions, decisions and behaviour, to endeavour to promote these concepts, to comply with all relevant legislation and to ensure they do not discriminate against colleagues, customers, suppliers or any other person associated with the business.

In adopting these principles, SFE:

- will not tolerate acts that breach this policy and all such breaches or alleged breaches will be taken

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seriously, fully investigated and may be subject to disciplinary action, where appropriate.

- fully recognises its legal obligations under all relevant legislation and codes of practice.
- will allow staff to pursue any matter through the internal procedures which they believe has exposed them to inequitable treatment within the scope of this policy. Copies of these procedures are available to all staff through the website.
- will ensure that all managers understand and maintain their responsibilities and those of their team under this policy.
- will offer opportunities for flexible working patterns, wherever operationally feasible, to help employees to combine a career with their domestic responsibilities.
- will provide equal opportunity to all who apply for vacancies through open competition.
- will select candidates only on the basis of their ability to carry out the job, using a clear and open process.
- will provide all employees with the training and development they need to carry out their job effectively.
- will provide all reasonable assistance to employees who are or who become disabled, making reasonable adjustments wherever possible to provide continued employment. We will ensure an appropriate risk assessment is carried out and that appropriate specialist advice is obtained when necessary.
- will distribute and publicise this policy statement throughout the company.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Directors (who are also Trustees of SFE for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed:

- That so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and

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- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditor in connection with preparing this report and to establish that the charitable company's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:
Sarah Smith
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Sarah Smith
(Trustee)
Date: 28 April 2022

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED

Opinion

We have audited the financial statements of Services for Education Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

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 contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

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:
Our assessment focussed on key laws and regulations the charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company isomplying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the caritable company's control environment and how the charitable company has pplied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the caritable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (CONTINUED)

Use of our report

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

Cooper Parry Group Ltd.

Glen Bott FCA (Senior statutory auditor)
for and on behalf of
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 28 April 2022

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SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	45,611	2,784,077	2,829,688	2,191,047
Charitable activities	5	4,386,526	-	4,386,526	4,739,560
Total income		4,432,137	2,784,077	7,216,214	6,930,607
Expenditure on:					
Charitable activities		3,985,971	2,297,358	6,283,329	6,821,548
Total expenditure		3,985,971	2,297,358	6,283,329	6,821,548
Net movement in funds		446,166	486,719	932,885	109,059
Reconciliation of funds:					
Total funds brought forward		1,496,795	239,973	1,736,768	1,627,709
Net movement in funds		446,166	486,719	932,885	109,059
Total funds carried forward		1,942,961	726,692	2,669,653	1,736,768

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 37 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07739831

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	10		561,564		781,660
			561,564		781,660
Current assets					
Debtors	11	644,789		522,546	
Cash at bank and in hand		2,830,643		1,399,240	
		3,475,432		1,921,786	
Creditors: amounts falling due within one year	12	(1,142,343)		(966,678)	
Net current assets			2,333,089		955,108
Total assets less current liabilities			2,894,653		1,736,768
Creditors: amounts falling due after more than one year	13		(225,000)		-
Net assets excluding pension asset			2,669,653		1,736,768
Total net assets			2,669,653		1,736,768
Charity funds					
Restricted funds	14		726,692		239,973
Unrestricted funds	14		1,942,961		1,496,795
Total funds			2,669,653		1,736,768

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:
Sarah Smith
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Sarah Smith
(Chair of Trustees)
Date: 28 April 2022

The notes on pages 23 to 37 form part of these financial statements.

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SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	1,202,125	216,843
Cash flows from investing activities		
Purchase of tangible fixed assets	(20,722)	(106,440)
Net cash used in investing activities	(20,722)	(106,440)
Cash flows from financing activities		
Cash inflows from new borrowing	250,000	-
Net cash provided by financing activities	250,000	-
Change in cash and cash equivalents in the year	1,431,403	110,403
Cash and cash equivalents at the beginning of the year	1,399,240	1,288,837
Cash and cash equivalents at the end of the year	2,830,643	1,399,240

The notes on pages 23 to 37 form part of these financial statements

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

1. General information

Services For Education Limited is a charitable company limited by guarantee and registered and domiciled in England. The address of the registered office is Unit 3, Holt Court, Holt Street, Birmingham Science Park, Aston, Birmingham, B7 4AX.

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Services For Education Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Directors have conisdered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations. Delivery of services has been adapted to take account of the shutdown but it is recognised that there will be an impact on invoiced services and also fundraising income. Steps are being taken to reduce costs and finances are being closely monitored. In response to the COVID-19 pandemic, the Directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

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2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income for services is recognised in the Statement of Financial Activities on a receivable basis on completion of the service.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Short-term leasehold property	- over the term of the lease
Fixtures and fittings	- 25% on a straight line basis
Computer equipment	- 33.3% on a straight line basis
Music instruments	- 10%-13.3% on a straight line basis

2.6 Debtors

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

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2. Accounting policies (continued)

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.9 Financial instruments

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

2.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include depreciation rates for tangible fixed assets and their residual values.

Key estimates and judgements in relation to the financial statements include:

- Allocation of support costs
- Cost of instruments originally transferred to the charity in 2013 which were recognised at an estimate of the replacement cost of the instruments as adjusted to reflect age and condition.

4. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	31,861	63,253	95,114
Grants	13,750	2,720,824	2,734,574
	45,611	2,784,077	2,829,688

Included within Grants there is £2,011,624 from Arts Council England, £709,200 from the Culture Recovery Fund and £13,750 from Birmingham City Council.

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	20,095	143,385	163,480
Arts Council England	-	2,027,567	2,027,567
	20,095	2,170,952	2,191,047

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5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Music	2,969,233	2,969,233
School support	1,100,899	1,100,899
Other	316,394	316,394
	4,386,526	4,386,526

Included within Other is income of £316,250 claimed under the Government's Coronavirus Job Retention Scheme (CJRS).

	Unrestricted funds 2020 £	Total funds 2020 £
Music	3,371,890	3,371,890
School support	1,150,800	1,150,800
Other	216,870	216,870
	4,739,560	4,739,560

Included within Other is income of £210,960 claimed under the Government's Coronavirus Job Retention Scheme (CJRS).

6. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Music	4,136,659	1,229,365	5,366,024
School support	719,940	196,413	916,353
Other	-	952	952
	4,856,599	1,426,730	6,283,329

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6. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Music	4,522,620	1,369,012	5,891,632
School support	711,860	212,263	924,123
Other	-	5,793	5,793
	5,234,480	1,587,068	6,821,548

Analysis of direct costs

	Direct costs - Music 2021 £	Direct costs - School Support 2021 £	Total funds 2021 £
Staff costs	3,670,598	547,750	4,218,348
Depreciation	224,823	-	224,823
Music resources	54,761	-	54,761
Performance costs	114,421	-	114,421
Venue hire	9,989	-	9,989
Project costs	-	72,394	72,394
Travel & subsistence	25,734	72	25,806
Training	6,230	-	6,230
Consultancy	30,103	99,724	129,827
	4,136,659	719,940	4,856,599

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Music 2020 £	School support 2020 £	Total funds 2020 £
Staff costs	3,811,991	596,211	4,408,202
Depreciation	327,978	-	327,978
Music resources	49,873	-	49,873
Performance costs	152,503	-	152,503
Venue hire	61,169	669	61,838
Project costs	-	35,034	35,034
Travel & subsistence	53,174	661	53,835
Training	36,351	-	36,351
Consultancy	29,431	79,285	108,716
Professional fees	150	-	150
	4,522,620	711,860	5,234,480

Analysis of support costs

	Direct costs - Music 2021 £	Direct costs - School Support 2021 £	Direct costs - Other 2021 £	Total funds 2021 £
Staff costs	855,140	116,610	-	971,750
Depreciation	14,076	1,919	-	15,995
Project costs	21,942	13,792	-	35,734
Travel & subsistence	3,714	507	-	4,221
Training	19,740	2,960	-	22,700
Office costs	46,660	24,067	-	70,727
Premises costs	103,048	14,052	-	117,100
Insurance	18,036	2,460	-	20,496
Marketing and publicity	34,796	4,745	-	39,541
Professional fees	29,388	4,007	-	33,395
Bank charges	642	87	952	1,681
Irrecoverable VAT	71,878	9,802	-	81,680
Governance costs	10,305	1,405	-	11,710
	1,229,365	196,413	952	1,426,730

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6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Music 2020 £	School support 2020 £	Other 2020 £	Total funds 2020 £
Staff costs	834,424	113,785	-	948,209
Depreciation	35,423	4,830	-	40,253
Project costs	101,032	13,777	-	114,809
Bad debt expense	34,672	4,728	-	39,400
Travel & subsistence	2,902	396	-	3,298
Training	21,706	2,960	-	24,666
Seconded staff	2,981	407	-	3,388
Office costs	55,448	31,704	-	87,152
Premises costs	94,487	12,884	-	107,371
Insurance	17,499	2,386	-	19,885
Marketing and publicity	39,350	5,366	-	44,716
Professional fees	44,336	7,410	-	51,746
Bank charges	2,848	388	5,793	9,029
Irrecoverable VAT	74,612	10,174	-	84,786
Governance costs	7,292	1,068	-	8,360
	1,369,012	212,263	5,793	1,587,068

7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	10,500	10,500
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	1,000	-

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8. Staff costs

	2021 £	2020 £
Wages and salaries	4,461,618	4,535,650
Social security costs	344,592	359,965
Contribution to defined contribution pension schemes	383,888	460,796
	5,190,098	5,356,411

The average number of persons employed by the Company during the year was as follows:

	2021 No.	2020 No.
Music	203	227
School support	9	10
Administration	18	18
Fundraising	1	2
	231	257

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	1	-

Two additional employees are disclosed in the £60k-£70k banding this year. These two employees would have also been disclosed in the previous year however, salaries were reduced for all employees by 20% between June and August 2020 as a result of the pandemic. This meant the salaries for the two employees in question fell below £60k.

The total employee benefits received by key management personnel in the year was £648,217 (2020: £628,410).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

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10. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Musical Instruments £	Total £
Cost or valuation					
At 1 September 2020	93,406	124,839	93,919	3,211,832	3,523,996
Additions	-	7,707	-	13,015	20,722
At 31 August 2021	93,406	132,546	93,919	3,224,847	3,544,718
Depreciation					
At 1 September 2020	93,406	100,246	93,919	2,454,765	2,742,336
Charge for the year	-	15,995	-	224,823	240,818
At 31 August 2021	93,406	116,241	93,919	2,679,588	2,983,154
Net book value					
At 31 August 2021	-	16,305	-	545,259	561,564
At 31 August 2020	-	24,593	-	757,067	781,660

11. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	585,487	433,125
Other debtors	23,698	68,651
Prepayments and accrued income	35,604	20,770
	644,789	522,546

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12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loans	25,000	-
Trade creditors	37,592	44,131
Other creditors	166,047	147,446
Accruals and deferred income	913,704	775,101
	1,142,343	966,678

	2021 £	2020 £
Deferred income at 1 September 2020	718,491	935,634
Resources deferred during the year	990,932	871,954
Amounts released from previous periods	(894,427)	(1,089,097)
	814,996	718,491

Deferred income relates to income received in advance of service delivery for 2021/2022.

13. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	225,000	-

The above Bank loan is a CBILS Loan with Lloyds Bank for £250,000 repayable over a period of 60 months commencing 13 months after the drawdown date. The interest rate is 2.48% plus the base rate. The amount repayable after more than 5 years is £25,000. After the balance sheet date it was agreed that the CBILS Loan would be repaid in full within 1 year. The loan of £250,000 was repaid in full to Lloyds in February 2022 before interest became chargeable.

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14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
General Funds	1,496,795	4,432,137	(3,985,971)	1,942,961
Restricted funds				
Arts Council England	166,825	2,011,624	(2,011,624)	166,825
SACRE	5,480	-	-	5,480
Other	67,668	63,253	(35,734)	95,187
Culture Recovery Fund	-	709,200	(250,000)	459,200
	239,973	2,784,077	(2,297,358)	726,692
Total of funds	1,736,768	7,216,214	(6,283,329)	2,669,653

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14. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds				
General Funds	1,416,112	4,759,655	(4,678,972)	1,496,795
Restricted funds				
Arts Council England	166,825	2,027,567	(2,027,567)	166,825
SACRE	5,480	-	-	5,480
Other	39,292	143,385	(115,009)	67,668
	211,597	2,170,952	(2,142,576)	239,973
Total of funds	1,627,709	6,930,607	(6,821,548)	1,736,768

Arts Council England fund is core grant funding to support delivery of the music service.

SACRE is funding to support delivery of statutory religious education duties and school support on matters relating to religious education.

Other restricted funds are an aggregate of smaller donations for specific aspects of our services.

The Culture Recovery Fund provided emergency funding to support the charity with the financial impact of Covid-19 pandemic and to be able to continue it's charitable activities.

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	561,564	-	561,564
Current assets	2,748,740	726,692	3,475,432
Creditors due within one year	(1,142,343)	-	(1,142,343)
Creditors due in more than one year	(225,000)	-	(225,000)
Total	1,942,961	726,692	2,669,653

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15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	781,660	-	781,660
Current assets	1,681,813	239,973	1,921,786
Creditors due within one year	(966,678)	-	(966,678)
Total	1,496,795	239,973	1,736,768

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	932,885	109,059
Adjustments for:		
Depreciation charges	240,818	368,228
Decrease/(increase) in debtors	(122,243)	154,610
Increase/(decrease) in creditors	150,665	(415,054)
Net cash provided by operating activities	1,202,125	216,843

17. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	2,830,643	1,399,240
Total cash and cash equivalents	2,830,643	1,399,240

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18. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,399,240	1,431,403	2,830,643
Debt due within 1 year	-	(25,000)	(25,000)
Debt due after 1 year	-	(225,000)	(225,000)
	1,399,240	1,181,403	2,580,643

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £383,888 (2020: £333,182).

20. Operating lease commitments

At 31 August 2021 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	89,045	65,000
Later than 1 year and not later than 5 years	113,090	130,000
	202,135	195,000

During the year £65,000 (2020: £65,000) has been recognised as an expense in the Statement of financial activities.

21. Related party transactions

There were no related party transactions during the year (2020: none).

Services For Education Limited

England & Wales - Charity number 1148848

Accounts

Company number: 07739831
Charity number: 1148848

Services For Education

TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

SERVICES FOR EDUCATION LIMITED (FORMERLY S4E LIMITED)
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	Sarah Smith, Chair Selwyn Calvin Martin Chitty Matthew Clements-Wheeler Eric Williams (resigned 11 July 2020) Laura Williams Philip Davies (appointed 1 September 2020) David Bolton (appointed 1 September 2020) Paul Stone (appointed 1 September 2020) Joanna Cooney (appointed 24 May 2021) Parmjit Singh (appointed 24 May 2021)
Company registered number	07739831
Charity registered number	1148848
Registered office	Unit 3, Holt Court Holt Street Birmingham Science Park, Aston Birmingham B7 4AX
Company secretary	David Alcock
Chief executive officer	Sharon Bell
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors Rutland House 148 Edmund Street Birmingham B3 2FD

WHY WE EXIST

Our Vision and Mission

Services for Education (SFE) is a unique charity that uses the power of learning and of music to transform and enhance the lives of children, young people, adults, and our wider communities.

We bring learning and music to life.

Our work encompasses a broad range of settings, including:

- Teaching pupils learning vocal and traditional instruments – to build technical and performance skills alongside confidence and creativity, and encourage pursuit of music-based careers
- Teaching non-traditional instruments and/or musical styles – to raise the profile of these approaches and encourage the expansion and diversification of musical experiences
- Specialist work with SEND/disadvantaged groups – to increase engagement and attainment
- Specialist work with Early Year settings – to promote a positive start to life and learning
- Our Music School – to support lifelong learning and encourage the love of music amongst young people and adults
- Working with adults – to promote wellbeing and positive mental health later in life, through involvement in music and cultural activities
- Bespoke consultancy, advice and professional development programmes – enabling school leaders, educators and governors to raise attainment levels, and develop and implement initiatives that improve health, wellbeing, standards and outcomes to ensure all children and young people realise their full potential academically, physically and emotionally.
- To enable schools, wider educational settings, and those organisations working with children and young people to develop safeguarding policy and practice that ensures the needs of all are recognised and met efficiently and effectively.
- Support, guidance, and development activities to those in the earliest stages of their teaching career in order to enable them to become highly skilled, leading edge practitioners.

Our Values

Our values are extremely important to us as these underpin our vision and mission:

VALUE FOR MONEY
Everything we do provides value for money whilst allowing Services For Education to expand its charitable ambitions and impact
SECURE EDUCATION PHILOSOPHY
Everything we do is based on secure educational philosophy, integrity of purpose and is evidence based
BENEFITING OUR CUSTOMERS
Everything we do is for the benefit of our customers, beneficiaries and stakeholders
PASSION
Everything we do is with passion and care

CHAIR'S INTRODUCTION

Welcome to our 2019/20 Annual Report and Accounts. It has been an extraordinary year for Services For Education. September 2019 started much like any other year. Hundreds experienced the joy of learning a musical instrument for the first time, others continued to build on their progress. Our School Support team were working with school leaders and teachers from across Birmingham and beyond, and a new intake of Newly Qualified Teachers were supported as they started their careers in the classroom. We said farewell to our Chief Executive, Martyn Collin who retired on 30 September 2019, and welcomed his replacement, Sharon Bell on 7 October 2019.

In January 2020, as with all organisations we began to sense that change was coming. Lockdown one and the closure of schools had a significant impact on our organisation. Overnight, a large number of our colleagues were no longer able to deliver 'face to face' tuition – something which is a passion at the heart of every teacher. The response of colleagues throughout the early months of the pandemic has been incredible. Our training and consultancy portfolio was transformed, seemingly overnight, to be delivered in the virtual environment; thousands of music lessons were delivered over Microsoft Teams; a virtual learning platform was developed with hundreds of hours of video content, and our central teams adapted to new ways of working from the home environment.

That 'can do' approach and willingness to embrace the new challenges which have emerged at various stages of the pandemic, has been an ongoing feature in how all colleagues have responded.

We couldn't have navigated this year without the support of all our colleagues, our schools, our pupils and their parents, numerous stakeholders and supporters across the city of Birmingham and beyond. We are very grateful to all of them for their support, as well as our major funders, including Arts Council England.

I would like to thank my fellow trustees on our Board, and particularly acknowledge the support and dedication of our outgoing Chair of Trustees, Martin Chitty, who stepped down as Chair in March 2021.

Sarah Smith

Chair of Trustees

TRUSTEES REPORT

The Trustees and Directors of Services For Education Limited present their annual and strategic report and audited financial statements for the year ended 31 August 2020. The company trades under the name Services For Education (SFE) and will be referred to as SFE in the rest of this document.

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 Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Our Approach to Safeguarding

In 2019 the Charity Commission updated their guidance, underlining that 'All charity trustees have to ensure that their charity prioritises the safety of anyone who comes into contact with their charity."

Services For Education is committed to the highest standards in promoting the welfare of children and adults and protecting them from harm at all times. Safeguarding means protecting the rights of children, young people and adults to live in safety, free from abuse and neglect. It is about people and organisations working together to prevent and stop both the risk and experience of abuse and neglect. All staff undertake annual safeguarding refresher training. This alternates between face to face, and the SFE online training course. All new staff are required to undertake the online course before commencing delivery for SFE. The SFE lead for Safeguarding carries out an annual review of all training content to ensure this is in line with current policy and guidance (Keeping Children Safe in Education, and Working Together to Safeguard Children). SFE has five members of staff who are trained as Designated Safeguarding Leads (DSL), and who are required to maintain their status through completing bi-annual update training. These five members of staff manage all safeguarding queries and concerns, liaising with schools, and external agencies as appropriate for adults. SFE safeguarding policy is reviewed annually. SFE is represented on the Birmingham Safeguarding in Education group to ensure all company practice is aligned to the Birmingham Safeguarding Children Partnership structures and procedures.

Our Approach to Fundraising

Services For Education is proud to be registered with the Fundraising Regulator, the independent body which sets and maintains the standards for fundraising in the United Kingdom. We are committed to the Fundraising Promise to ensure our fundraising activities are legal, open, honest and respectful.

We work closely we an external fundraising consultant bid writer who supports our grants and trusts activity which is currently our main fundraising income generation stream. Our focus this year has been to keep our trusts and funding bodies up-to-date about the impact covid has had upon our funded projects. The strategy has been to build a three-year pipeline of funds which was on track until the pandemic hit, the plan moving forward will be to rebuild that pipeline.

From an individual and community perspective the strategy has been to create more compelling story-based and outcome-based communications so that we start to build a relationship with donors rather than just being transactional in our approach. In 2019, for the first time at SFE we produced our annual review to support this approach.

We are also starting to build relationships with corporates, through an approach based around six key ways corporates can support and engage with SFE:

- Charity of the year
- Sponsorship
- Affinity marketing
- Payroll Giving
- Stock Partnerships
- Strategic Partnerships

In 2019/20 SFE received no complaints about its fundraising activity.

Our Approach to Quality

We pride ourselves in the quality of our services and the professionalism and skills of our highly talented colleagues. As we teach music to 34,000 children per week and deliver an extensive portfolio of training and consultancy products to school leaders, it is essential that our customer facing teams keep at the forefront of developments and best practice in their fields.

School Support

The conversion to online delivery dictated much CPD being focused on the technical skills to achieve this, and the different pedagogical approaches and resources required to create effective remote learning experiences. Good practice sessions have now become a feature of team meetings where monthly 'CPD Exchange' sessions have been re-instated.

In addition, CPD activity has been around significant policy changes in early years assessment, and early career framework, with a view to informing a new offer in both areas in 2021/22.

Music

Throughout the pandemic, we have continued our series of twilight CPD sessions for primary, secondary and special schools. These take place every term and have seen music coordinators sharing best practice with each other on how they have coped during COVID-19 and online learning. Sessions have also seen us supporting them with composition from hub partners BCMG and singing with our vocal team and Ex Cathedra (hub partners). We are working on our schools' Music Conference, which will be happening in June as a series of twilight sessions.

We continue to improve and develop our 'in house' CPD with the wider music team. In lockdown 1, we had weekly departmental meetings which saw our Heads of Department leading on many different types of activity. Since January 2021, we have staged weekly twilight 'drop ins' for the music team. These have focussed on rolling out our whole portfolio including WCIT and CMS online during lockdown 3. We also had sessions on Makaton, behaviour management, managing workload, large group teams lessons, using online whiteboards and playback software.

We will be resuming our peer-to-peer observations in the academic year 2021-22, where staff are able to take advantage of spending half a day with a colleague through their PDR and observing their teaching and learning.

Customer Feedback

Continuous reflection and improvement are an important part of our approach – and this has been particularly important as we have pivoted to on-line delivery due to Covid-19. Significant improvements were enabled in the early days of lockdown as colleagues became more familiar with the virtual platforms available. Customer feedback is obtained from all course delegates – response rates have improved by collecting feedback online. Our music provision is informally benchmarked in regular conversations with other Music Education Hubs, and we have been leading the way in how we have supported staff, parents and schools.

OUR ACHIEVEMENTS AND PERFORMANCE

The Trustees/Directors have taken note of the Charity Commission's guidance on public benefit in reviewing the aims and objectives and in planning activities. In particular, the Trustees/Directors consider how the planned activities contribute to the charity's aims and objectives and they ensure these are carried out for the public benefit by delivering services that are valued by the beneficiaries (school, pupils, teachers, parents) and which deliver clear and definable benefit to those beneficiaries.

For those working in education, 18 March 2020 was a defining moment – it was announced that there would be a period of mass closure of schools, the likes of which hadn't been seen since WW2. In an organisation focussed on teaching music in schools and providing training and development for teachers and school leaders, our world suddenly looked very different.

Reviewing the year ending 31 August 2020, it is easy to focus on the period since March. However before then, colleagues were teaching in schools, delivering training, providing consultancy, running our award-winning Health For Life programme, teaching music – and delivering a fabulous array of concerts all through the festive period. It is a year in which the creativity, resilience, and talent of our colleagues shone through.

Highlighted below are some of our key achievements in the period:

- Enabling, at short notice, our entire training and development portfolio to be delivered in the virtual environment
- Growth of School Support income from non-Birmingham customers – representing 12% of total web sales in 12 months from first lockdown.
- 20,000 on-line music lessons delivered whilst schools were closed in Lockdown 1
- Sales and Marketing team shortlisted for 'Excellence in Sales and Marketing' in the Greater Birmingham Chambers of Commerce Annual Awards
- Our inclusion team, shortlisted in the Music and Drama Education Awards for 'Excellence in SEND'
- Creation of a Virtual Learning Platform to support Whole Class Instrumental Teaching during lockdown, incorporating over 850 videos
- Consistently received 5-star Trustpilot reviews for our training provision
- Delivered our first Virtual Youth Proms, covering 4 nights and highlighting hundreds of our talented ensemble members.
- Michelin Starred Chef, Glyn Purnell led the 'Health For Life' cookathon as more than 1,000 school children took part simultaneously in their own schools
- Integration of CRM and e-commerce website
- Implementation of a new on-line system to manage expenses and mileage claims

OUR FUTURE PLANS

A key deliverable during 2019/20, has been finalising 'Strategy 2025 – Creating Tomorrow Today', outlining our roadmap for the next five years. The past 12 months have highlighted more than ever before, the need for a strategy to be responsive to changes within the external environment, as well as those of our stakeholders and partners.

Our ambitions are:

- To revolutionise educational learning to maximise participation, through
  - principles/evidence led educational practices
  - great teachers delivering great learning
  - offering personalised, flexible learning where appropriate
  - supporting the development of employability and skills
  - leading edge services and resources

- To be a key partner for raising standards and attainment in education in our city, region and nationally, through
  - being the distinctive leader in our sector
  - providing agile and collaborative (resourceful, bespoke and/or individualised) solutions
  - leading and stimulating debate on key issues facing the education sector
  - encouraging widening of participation and development of a love of life-long learning for all ages
  - developing a sustainable organisation for the long term that allows us to support and progress key initiatives

- To make important contributions to our society and communities, particularly through our work with disadvantaged groups and young people, through
  - innovation and application of our expertise
  - making a demonstrable impact
  - positive alumni and stakeholder engagement

These ambitions will be delivered through six organisation wide themes which all our colleagues can relate to in their work. They are intended to deliver a vibrant, resilient, and agile organisation fully equipped to deliver our vision and charitable purpose.

As we look ahead to 2021/22 our priorities are influenced by the necessity to stabilise our position as we emerge from the pandemic. From 2021/22 onwards we will update on our progress against these six themes as part of this report.

RISKS AND UNCERTAINTIES

The Directors have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The principal risks identified by the Trustees/Directors are:

- reductions in demand for music and school support services, caused by recurring Lockdowns stemming from Covid-19 and/or subsequent pandemics

  mitigated by: enabling delivery of all our services through virtual platforms, working closely with customers to align delivery to their circumstances, enabling all colleagues to work from home when required

- reductions in funding for music in schools through the Arts Council Grant and/or reductions in school funding which will result in reduced ability or willingness to purchase SFE's services

  mitigated by: expansion of services both in type of service and the geographical reach of delivery. Advocacy of the benefits and impact of SFE's services.

- significant increases in core costs such as rent, utilities, employment costs, cost of musical instruments purchase and repair.

  mitigated by: active management of suppliers and monitoring of costs

- effective cash management to match the SFE business cycle and episodic revenue profile.

  mitigated by: Close and frequent cash position monitoring combined with highly proactive invoice payment management and debt collection. During the financial year 2019/20, application approved for Coronavirus Business Interruption Loan Scheme in December 2020. This was drawn down in February 2021 in order to mitigate against continued uncertainty during 2020/21.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

General

During 2019/20, our Finance team continued to embed the improvements and efficiencies that had been put in place the previous year. Monthly management accounts continued to be delivered to a strict reporting timetable with figures provided to SLT on the 10th working day after each month end. This provides timely information for decision making. Two budget reforecasts were performed during 2019/20 after production of December and February actuals. This led to a refining of all budget lines and the ability to report a more accurate forecast for the year to the Board. The ongoing uncertainties caused by the Covid-19 pandemic then required reforecasts to be produced on a monthly basis, with key revenue lines monitored weekly. A weekly dashboard system was introduced to Senior Leadership Team meetings, to monitor key metrics. Cashflow forecast are closely monitored and reported to the Board at each meeting.

There continues to be a strict focus on credit control, and at key points during the year, additional temporary resource has been secured to maintain focus on this area. Debtor balances are reviewed at weekly meetings of the Senior Leadership Team and where appropriate customer facing colleagues are engaged in assisting recovery of difficult debts.

The statement of financial activities shows net income before actuarial gains and losses for the year of £109,059 (2019: £750,587). The net income on unrestricted funds was £80,683 before actuarial gains and losses (2019: £908,067). The prior year included a one off £932,000 net income adjustment reflecting adjustment for the movements in accounting for the Local Government Pension Scheme combined with the impact of leaving the Local Government Pension Scheme on 31st October 2019 with a £nil liability. Excluding this adjustment then there would have been a net deficit in 2019 on unrestricted funds of £23,933. There was a net income of £28,376 on restricted funds (2019: net expenditure of £157,480).

Reserves

It is the policy of the Board that cumulative unrestricted funds available to cover operational costs should be maintained at a minimum figure of £1,500,000. In addition, cash balances should be maintained at a minimum of £1,000,000 throughout any financial year in order to cover any immediate operational costs and to enable the Company to respond to changes in government policy and funding streams, with an increased balance at 31 August in any year of £1,500,000 to reflect the seasonal nature of the company's cash flow. This reserves policy is reviewed annually by the Board in order to ensure its adequacy in relation to the scale of the Company's operations.

At 31 August 2020 there were unrestricted funds carried forward of £1,496,795 (2019: £1,416,112), therefore the reserves policy level of available funds of £1,500,000 has almost been reached.

In 2018, SFE had identified that it needed to accumulate at least £200k of reserves from surplus each year for the next 3 years and aims to budget accordingly, albeit that it recognises that in the short term, there will be an ongoing impact of recovery from the Covid-19 pandemic.

The cash balance at the year ended 31 August 2020 stands at £1,399,240 (2019: £1,288,837), an increase on the prior year of £110,403 and it is still in excess of the £1m minimum level set despite the challenges of the last year.

Going Concern

The financial statements have been prepared under the going concern basis. The Directors reviewed and agreed on the budget for the financial year 2020/21 which indicated that, barring unforeseen circumstances, the charity will continue to be able to meet all obligations as they fall due and will over time be able to build suitable reserves. The budget is subject to reforecasting quarterly during the year which allows for remedial action to be taken if deemed required.

The Directors have specifically considered the impact of the Covid-19 pandemic on the continuing operations of the charity. Financial projections and cashflow forecasts have been prepared by Senior Leadership Team which have been updated on a weekly basis and reported to Directors accordingly. Whilst it is evident that the Covid-19 pandemic will continue to have a significant impact on the 2020/21 results, it is envisaged that a break-even position will be achieved along with positive albeit reduced cash balances. Future budgets and plans will be set to recoup the impact of Covid-19 pandemic in terms of reserves and cash balances. The Directors, therefore, have a reasonable expectation that SFE has adequate resources to continue in operational existence for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

General

Services For Education (formerly S4E Limited) is a registered charity in England and Wales (No. 1148848) and a company (No. 07739831) limited by guarantee. It was set up by a Memorandum of Association on 15 August 2011 and is governed by its Memorandum and Articles of Association.

Services For Education (SFE) is a unique charity that uses the power of learning and music to create and build confidence amongst children, young people, adults and communities. We aim to bring learning and music to life.

The principal objects of the company are:

- the advancement of education, particularly through the promotion of high-quality teaching and learning;
- the advancement of the care, safety and upbringing of children and young people by:
    - supporting and assisting those in need, their families and carers
    - promoting their health
    - advancing their education
- the advancement of the arts and culture, particularly through the promotion and teaching of music.
- everything we do is delivered with passion and care.

The company continues to focus on the quality of all services provided and to seek to expand both the range of services as well as their geographical reach.

The Board

The Board of Trustees is responsible for the overall governance of Services For Education and meet at least bi-monthly during the year. In the period since March 2020, until the end of July 2020, they met almost weekly to address the ongoing challenges caused by the Covid-19 pandemic. From September 2020, monthly meetings have taken place with additional meetings as required. New trustees are elected and co-opted under the terms of the Articles of Association and following an open recruitment process.

New trustees undertake a comprehensive induction process, which includes meetings with each member of the Senior Leadership Team and follow up meetings as required.

The Chair of Trustees, Martin Chitty retired following the fiscal year-end, at the Board meeting on 29 March 2021. He has been replaced by Sarah Smith.

Strategic management

Chief Executive

Authority to conduct the day-to-day activities of Services For Education is delegated to the Chief Executive, who is responsible for ensuring that the agreed strategy is implemented, and the necessary controls are in place to govern the organisation.

Martyn Collin, Chief Executive, left the company on 30 September 2019 and was replaced by Sharon Bell on 7 October 2019. The Chief Executive is supported by the Senior Leadership Team (SLT) which comprises Lindsay Allen (HR Director); Tracy Carlton (Marketing and Business Development Director); Stuart Birnie (Head of Music Service); Andrew Cooper (Head of School Support Service); Sarah Marshall (Head of Shared Services); Carl Black (Finance Manager) and Chris Silverton (Head of IT).

The Senior Leadership Team meets weekly, with additional monthly sessions focussing on strategy and long-term planning.

Remuneration Policy for Key Personnel

The remuneration of the Chief Executive is set by the Board of Trustees/Directors based on advice from market recruitment specialists.

The remuneration of senior staff is set by the Chief Executive in consultation with the Chair of Trustees and is based on both advice from market recruitment specialists and on industry benchmarks depending on the discipline of the employee.

Employees

During the second half of 2019/20, our entire workforce found themselves working from home, as Covid-19 forced schools to close. For many colleagues this was a new experience, and we focussed on ensuring that everyone had access to the systems and equipment to perform their role. Self-assessment checklists for temporary homeworking were circulated and actioned, as necessary.

Colleague wellbeing has always been of key importance, with fresh challenges posed by Lockdown and operational changes. Technology enabled frequent virtual team meetings across the organisation, and regular check-ins were encouraged at all levels. A weekly informal Monday video was implemented by the Chief Executive and is now an embedded part of our weekly communications. Together with the weekly written communication (In The Know) issued on a Wednesday, colleagues have received regular and consistent sources of information during an uncertain period.

We are grateful to the members of the Staff Forum who have worked closely with the Senior Leadership Team, meeting monthly throughout the academic year.

Our annual colleague survey was conducted in July 2020, and we were pleased to see an increase in the response rate to 64.3% compared to 56.2% in 2019. Overall colleague engagement was recorded as 81% (67% in 2019). An action plan has been developed in order to address any areas which gave cause for concern.

Diversity and Inclusion

SFE is committed to encouraging diversity and eliminating discrimination in both its role as an employer and as a provider of services. Our aim is that our employees are truly representative of all sections of society and work in an environment where everyone is respected and able to perform to the best of their ability.

Our policy is to provide equality and fairness for all in our employment and in our provision of services, and not to discriminate on grounds of gender, marital status, race, ethnic origin, nationality, disability, sexual orientation, religion or age.

SFE opposes all forms of unlawful and unfair discrimination. It is our policy to provide a suitable environment for people with disabilities. All reasonable facilities will be provided for employees with disabilities to perform their roles without difficulty or disadvantage.

We will not tolerate direct or indirect discrimination against any person on grounds of age, disability, gender/gender reassignment, marriage/civil partnership, pregnancy/maternity, race, religion or belief, sex or sexual orientation, whether in the field of recruitment, terms and conditions of employment, career progression, training, transfer or dismissal.

It is also the responsibility of all employees in their daily actions, decisions and behaviour, to endeavour to promote these concepts, to comply with all relevant legislation and to ensure they do not discriminate against colleagues, customers, suppliers or any other person associated with the business.

In adopting these principles, SFE:

- will not tolerate acts that breach this policy and all such breaches or alleged breaches will be taken seriously, fully investigated and may be subject to disciplinary action, where appropriate.
- fully recognises its legal obligations under all relevant legislation and codes of practice.
- will allow staff to pursue any matter through the internal procedures which they believe has exposed them to inequitable treatment within the scope of this policy. Copies of these procedures are available to all staff through the website.
- will ensure that all managers understand and maintain their responsibilities and those of their team under this policy.
- will offer opportunities for flexible working patterns, wherever operationally feasible, to help employees to combine a career with their domestic responsibilities.
- will provide equal opportunity to all who apply for vacancies through open competition.
- will select candidates only on the basis of their ability to carry out the job, using a clear and open process.
- will provide all employees with the training and development they need to carry out their job effectively.
- will provide all reasonable assistance to employees who are or who become disabled, making reasonable adjustments wherever possible to provide continued employment. We will ensure an appropriate risk assessment is carried out and that appropriate specialist advice is obtained when necessary.
- will distribute and publicise this policy statement throughout the company.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Directors (who are also Trustees of SFE for the purposes of charity law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Sarah Smith
Trustee
Date: 24 May 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (FORMERLY S4E LIMITED)

Opinion

We have audited the financial statements of Services For Education Limited (Formerly S4E Limited) (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (FORMERLY S4E LIMITED) (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SERVICES FOR EDUCATION LIMITED (FORMERLY S4E LIMITED) (CONTINUED)

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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.

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

Use of our report

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

Helen Blundell LLB FCA FCIE DChA (Senior Statutory Auditor)
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Birmingham, United Kingdom
26 May 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:					
Donations and legacies	4	**2,170,952**	**20,095**	**2,191,047**	*2,146,291*
Charitable activities	5	**-**	**4,739,560**	**4,739,560**	*5,335,799*
Total income		**2,170,952**	**4,759,655**	**6,930,607**	*7,482,090*
Expenditure on:					
Charitable activities		**2,142,576**	**4,678,972**	**6,821,548**	*6,731,503*
Total expenditure		**2,142,576**	**4,678,972**	**6,821,548**	*6,731,503*
Net movement in funds before other recognised gains/(losses)		**28,376**	**80,683**	**109,059**	*750,587*
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	19	**-**	**-**	**-**	*(342,000)*
Net movement in funds		**28,376**	**80,683**	**109,059**	*408,587*
Reconciliation of funds:					
Total funds brought forward		**211,597**	**1,416,112**	**1,627,709**	*1,219,122*
Net movement in funds		**28,376**	**80,683**	**109,059**	*408,587*
Total funds carried forward		**239,973**	**1,496,795**	**1,736,768**	*1,627,709*

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

All income and expenditure derive from continuing activities.

The notes on pages 23 to 42 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note		2020 £		*2019 £*
Fixed assets					
Tangible assets	10		**781,660**		*1,043,448*
Current assets					
Debtors	11	**522,546**		*677,156*	
Cash at bank and in hand		**1,399,240**		*1,288,837*	
		1,921,786		*1,965,993*	
Creditors: amounts falling due within one year	12	**(966,678)**		*(1,381,732)*	
Net current assets			**955,108**		*584,261*
Total assets less current liabilities			**1,736,768**		*1,627,709*
Total net assets			**1,736,768**		*1,627,709*
Charity funds					
Restricted funds	13		**239,973**		*211,597*
Unrestricted funds	13		**1,496,795**		*1,416,112*
Total funds			**1,736,768**		*1,627,709*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Sarah Smith
(Chair of Trustees)
Date: 24 May 2021

The notes on pages 23 to 42 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	*2019* *£*
Cash flows from operating activities		
Net cash used in operating activities	**216,843**	*(217,694)*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(106,440)**	*(49,881)*
Net cash used in investing activities	**(106,440)**	**(49,881)**
Cash flows from financing activities		
Repayments of borrowing	**-**	*(237,331)*
Net cash provided by/(used in) financing activities	**-**	**(237,331)**
Change in cash and cash equivalents in the year	**110,403**	**(504,906)**
Cash and cash equivalents at the beginning of the year	**1,288,837**	*1,793,743*
Cash and cash equivalents at the end of the year	**1,399,240**	*1,288,837*

The notes on pages 23 to 42 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Services For Education Limited (formerly S4E Limited) is a charitable company limited by guarantee and registered and domiciled in England. The address of the registered office is Unit 3, Holt Court, Holt Street, Birmingham Science Park, Aston, Birmingham, B7 4AX.

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

2. Accounting policies

2.1 Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations. Delivery of services has been adapted to take account of the shutdown but it is recognised that there will be an impact on invoiced services and also fundraising income. Steps are being taken to reduce costs and finances are being closely monitored. In response to the COVID-19 pandemic, the Directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

2.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Services For Education Limited (formerly S4E Limited) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.3 Company Status

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

2. Accounting policies (continued)

2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.5 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income for services is recognised in the Statement of Financial Activities on a receivable basis on completion of the service.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the split of income. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives on the following bases: .

Short-term leasehold property	- Over the term of the lease
Fixtures and fittings	- 25% on a straight line basis
Computer equipment	- 33.3% on a straight line basis
Music instruments	- 10%-13.3% on a straight line basis

2.8 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2. Accounting policies (continued)

2.13 Financial instruments

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

2.14 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include depreciation rates for tangible fixed assets and their residual values.

Key estimates and judgements in relation to the financial statements include:

- Allocation of support costs
- Cost of instruments originally transferred to the charity in 2013 which were recognised at an estimate of the replacement cost of the instruments as adjusted to reflect age and condition.

4. Income from donations and grants

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Donations	143,385	20,095	**163,480**
Arts Council England	2,027,567	-	**2,027,567**
SACRE	-	-	**-**
Total 2020	2,170,952	20,095	**2,191,047**

4. Income from donations and grants (continued)

There are no unfulfilled conditions or other contingencies attaching to grants recognised in income in the year from government bodies.

	Restricted funds 2019 £	*Unrestricted funds 2019* £	*Total funds 2019* £
Donations	*79,870*	*20,251*	*100,121*
Arts Council England	*2,024,700*	-	*2,024,700*
SACRE	*21,470*	-	*21,470*
Total 2019	*2,126,040*	*20,251*	*2,146,291*

5. Income from charitable activities

	Unrestricted funds 2020 £	**Total funds 2020 £**
Music	3,371,890	**3,371,890**
School support	1,150,800	**1,150,800**
Other	216,870	**216,870**
Total 2020	4,739,560	**4,739,560**

Included within Other is income of £210,960 claimed under the Government's Coronavirus Job Retention Scheme (CJRS).

	Unrestricted funds 2019 £	*Total funds 2019* £
Music	*3,714,914*	*3,714,914*
School support	*1,617,685*	*1,617,685*
Other	*3,200*	*3,200*
Total 2019	*5,335,799*	*5,335,799*

6. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Music	4,522,620	1,369,012	**5,891,632**
School support	711,860	212,263	**924,123**
Other	-	5,793	**5,793**
Total 2020	5,234,480	1,587,068	**6,821,548**

	Activities undertaken directly 2019 £	*Support costs 2019 £*	*Total funds 2019 £*
Music	*4,862,114*	*675,653*	*5,537,767*
School support	*1,071,109*	*122,627*	*1,193,736*
Total 2019	*5,933,223*	*798,280*	*6,731,503*

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Music 2020 £	School support 2020 £	Total funds 2020 £
Staff costs	3,811,991	596,211	**4,408,202**
Depreciation	327,978	-	**327,978**
Music resources	49,873	-	**49,873**
Performance costs	152,503	-	**152,503**
Venue hire	61,169	669	**61,838**
Project costs	-	35,034	**35,034**
Travel & subsistence	53,174	661	**53,835**
Training	36,351	-	**36,351**
Consultancy	29,431	79,285	**108,716**
Professional fees	150	-	**150**
	4,522,620	711,860	**5,234,480**

	Music 2019 £	*School support 2019 £*	*Total funds 2019 £*
Pension cost	*13,200*	*1,800*	*15,000*
Staff costs	*4,003,451*	*806,198*	*4,809,649*
Depreciation	*317,774*	-	*317,774*
Music resources	*71,457*	-	*71,457*
Performance costs	*176,719*	-	*176,719*
Venue hire	*133,155*	*7,117*	*140,272*
Project costs	*21*	*43,213*	*43,234*
Travel and subsistence	*73,031*	*22,662*	*95,693*
Training	*42,468*	-	*42,468*
Consultancy	*30,838*	*190,120*	*220,958*
	4,862,114	*1,071,110*	*5,933,224*

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Music 2020 £	School support 2020 £	Other 2020 £	Total funds 2020 £
Staff costs	834,424	113,785	-	**948,209**
Depreciation	35,423	4,830	-	**40,253**
Project costs	101,032	13,777	-	**114,809**
Bad debt expense	34,672	4,728	-	**39,400**
Travel & subsistence	2,902	396	-	**3,298**
Training	21,706	2,960	-	**24,666**
Seconded staff	2,981	407	-	**3,388**
Office costs	55,448	31,704	-	**87,152**
Premises costs	94,487	12,884	-	**107,371**
Insurance	17,499	2,386	-	**19,885**
Marketing and publicity	39,350	5,366	-	**44,716**
Professional fees	44,336	7,410	-	**51,746**
Bank charges	2,848	388	5,793	**9,029**
Irrecoverable VAT	74,612	10,174	-	**84,786**
Governance costs	7,292	1,068	-	**8,360**
Total 2020	1,369,012	212,263	5,793	**1,587,068**

6. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Music 2019 £	*School support 2019 £*	*Total funds 2019 £*
Staff costs	*179,134*	*24,427*	*203,561*
Depreciation	*39,283*	*5,356*	*44,639*
Travel and subsistence	*3,697*	*504*	*4,201*
Training	*41,981*	*5,725*	*47,706*
Seconded staff	*2,241*	*306*	*2,547*
Office costs	*71,562*	*42,880*	*114,442*
Premises costs	*136,425*	*15,975*	*152,400*
Insurance	*16,328*	*2,226*	*18,554*
Marketing and publicity	*70,872*	*9,664*	*80,536*
Professional fees	*68,467*	*9,336*	*77,803*
Bank charges	*8,313*	*1,134*	*9,447*
Irrecoverable VAT	*29,520*	*4,026*	*33,546*
Governance costs	*7,830*	*1,068*	*8,898*
Total 2019	*675,653*	*122,627*	*798,280*

2019 staff costs include a one off credit in respect of withdrawal from the Local Government Pension Scheme of £1,084,000. This reflects the difference between the valuation calculated in accordance with the requirements of FRS102 at 31 August 2019 compared to the liability due on withdrawal calculated on exit of this scheme.

7. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £10,500 (*2019 - £8,898*).

8. Staff costs

	2020 £	*2019 £*
Wages and salaries	**4,535,650**	*4,834,984*
Social security costs	**359,965**	*419,501*
Employer's pension contributions	**460,796**	*778,726*
Net income on exit of defined benefit pension scheme	**-**	*(1,020,000)*
	5,356,411	*5,013,211*

8. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2020 No.	*2019 No.*
Music	**227**	*211*
School support	**10**	*16*
Administration	**18**	*18*
Fundraising	**2**	*2*
	257	*247*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	*2019 No.*
In the band £60,001 - £70,000	**2**	*2*
In the band £70,001 - £80,000	**2**	*-*
In the band £80,001 - £90,000	**1**	*2*
In the band £110,001 - £120,000	**-**	*1*

The total employee benefits received by key management personnel in the year was £628,410 (2019: £611,047).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - none*)*.

During the year ended 31 August 2020, no Trustee expenses have been incurred *(2019* - none).

10. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Computer equipment £	Musical instruments £	Total £
Cost or valuation					
At 1 September 2019	**93,406**	**120,432**	**93,919**	**3,109,799**	**3,417,556**
Additions	**-**	**4,407**	**-**	**102,033**	**106,440**
At 31 August 2020	**93,406**	**124,839**	**93,919**	**3,211,832**	**3,523,996**
Depreciation					
At 1 September 2019	**68,400**	**85,000**	**93,919**	**2,126,789**	**2,374,108**
Charge for the year	**25,006**	**15,246**	**-**	**327,976**	**368,228**
At 31 August 2020	**93,406**	**100,246**	**93,919**	**2,454,765**	**2,742,336**
Net book value					
At 31 August 2020	**-**	**24,593**	**-**	**757,067**	**781,660**
At 31 August 2019	*25,006*	*35,432*	*-*	*983,010*	*1,043,448*

11. Debtors

	2020 £	*2019 £*
Due within one year		
Trade debtors	**433,125**	*493,638*
Other debtors	**68,651**	*13,000*
Prepayments and accrued income	**20,770**	*170,518*
	522,546	*677,156*

12. Creditors: Amounts falling due within one year

	2020 £	*2019 £*
Trade creditors	**44,131**	*133,498*
Other taxation and social security	**-**	*5,022*
Other creditors	**147,446**	*191,679*
Accruals and deferred income	**775,101**	*1,051,533*
	966,678	*1,381,732*

	2020 £	*2019 £*
Deferred income at 1 September 2019	**935,634**	*834,786*
Resources deferred during the year	**871,954**	*870,235*
Amounts released from previous periods	**(1,089,097)**	*(769,387)*
	718,491	*935,634*

Deferred income relates to income received in advance of service delivery.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

13. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds				
General Funds	**1,416,112**	**4,759,655**	**(4,678,972)**	**1,496,795**
Restricted funds				
Arts Council England	**166,825**	**2,027,567**	**(2,027,567)**	**166,825**
SACRE	**5,480**	**-**	**-**	**5,480**
Other	**39,292**	**143,385**	**(115,009)**	**67,668**
	211,597	**2,170,952**	**(2,142,576)**	**239,973**
Total of funds	**1,627,709**	**6,930,607**	**(6,821,548)**	**1,736,768**

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2018 £	*Income* £	*Expenditure* £	*Gains/ (Losses)* £	*Balance at 31 August 2019* £
Unrestricted funds					
General Funds	*1,440,045*	*5,356,050*	*(5,379,983)*	-	*1,416,112*
Pension reserve	*(590,000)*	-	*932,000*	*(342,000)*	-
	850,045	5,356,050	(4,447,983)	*(342,000)*	*1,416,112*
Restricted funds					
Arts Council England	*166,825*	*2,024,700*	*(2,024,700)*	-	*166,825*
SACRE	*27,897*	*21,470*	*(43,887)*	-	*5,480*
ACE Match	*84,300*	-	*(84,300)*	-	-
Other	*90,055*	*79,870*	*(130,633)*	-	*39,292*
	369,077	2,126,040	(2,283,520)	-	*211,597*
Total of funds	*1,219,122*	*7,482,090*	*(6,731,503)*	*(342,000)*	*1,627,709*

Arts Council England fund is core grant funding to support delivery of the music service.

SACRE is funding to support delivery of statutory religious education duties and school support on matters relating to religious education.

ACE Match is funding for delivery of the Catalyst: Evolve project.

Other restricted funds are an aggregate of smaller donations for specific aspects of our services.

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	781,660	**781,660**
Current assets	239,973	1,681,813	**1,921,786**
Creditors due within one year	-	(966,678)	**(966,678)**
Total	239,973	1,496,795	**1,736,768**

Analysis of net assets between funds - prior period

	Restricted funds 2019 £	*Unrestricted funds 2019 £*	*Total funds 2019 £*
Tangible fixed assets	-	1,043,448	*1,043,448*
Current assets	211,597	1,754,397	*1,965,994*
Creditors due within one year	-	(1,381,733)	*(1,381,733)*
Total	211,597	1,416,112	*1,627,709*

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	*2019 £*
Net income for the period (as per Statement of Financial Activities)	**109,059**	*750,587*
Adjustments for:		
Depreciation charges	**368,228**	*441,760*
Decrease in debtors	**154,610**	*56,326*
Decrease in creditors	**(415,054)**	*(455,023)*
FRS 102 Pension adjustments	**-**	*(932,000)*
Net cash provided by/(used in) operating activities	**216,843**	*(138,350)*

16. Analysis of cash and cash equivalents

	2020 £	*2019 £*
Cash in hand	**1,399,240**	*1,288,837*
Total cash and cash equivalents	**1,399,240**	*1,288,837*

17. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	**1,288,837**	**110,403**	**1,399,240**
	1,288,837	**110,403**	**1,399,240**

18. Related party transactions

There were no related party transactions during the year. (2019: none)

19. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £333,182 (2019: £52,315)

The Company has previously participated in the following defined benefit pension schemes prior to ceasing to participate in both schemes on 31 October 2019..

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments. Membership is automatic for full-time teachers from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract. Teachers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers are credited to the Exchequer. Retirement under arrangements governed by the above Acts.

19. Pension commitments (continued)

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produced that real rate of return.

Valuation of the Teachers' Pension Scheme
The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes an administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers pay the current rate of 16.48%.

The employer's pension costs paid to TPS in the period amounted to £132,735 (2019 - £535,113).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx).

Scheme changes
The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalue Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject to the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on the scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 date and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £20,832 (2019: £149,396), of which employer's contributions totaled £15,552 (2019: £110,993) and employees' contributions totaled £5,280 (2019: £38,402).

On 31 October 2019 the charity ceased to participate in both the Local Government Pension Scheme and the Teachers' Pension Scheme.

19. Pension commitments (continued)

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 August 2020 **%**	*At 31 August 2019* *%*
Discount rate	**N/A**	*1.85*
Future salary increases	**N/A**	*3.75*
Future pension increases	**N/A**	*2.25*

	At 31 August 2020 **Years**	*At 31 August 2019* *Years*
Mortality rates (in years)		
- for a male aged 65 now	**N/A**	*20.9*
- at 65 for a male aged 45 now	**N/A**	*22.6*
- for a female aged 65 now	**N/A**	*23.2*
- at 65 for a female aged 45 now	**N/A**	*25.1*

The Company's share of the assets in the scheme was:

	At 31 August 2020 **£**	*At 31 August 2019* *£*
Equities	**-**	*3,404,000*
Gilts	**-**	*536,000*
Other bonds	**-**	*214,000*
Property	**-**	*462,000*
Cash and other liquid assets	**-**	*204,000*
Other	**-**	*841,000*
Total fair value of assets	**-**	*5,661,000*

The actual return on scheme assets was £Nil *(2019 - £394,000)*.

19. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2020 £	*2019 £*
Current service cost	-	*(168,000)*
Past service cost	-	*(64,000)*
Interest cost	-	*(15,000)*
Settlement on exit from Scheme	-	*1,084,000*
Total amount recognised in the Statement of financial activities	-	*837,000*

Movements in the present value of the defined benefit obligation were as follows:

Movements in the fair value of the Company's share of scheme assets were as follows:

	2020 £
Actuarial gains	-
Settlement on exit from Scheme	-
Contributions by employer	-
Return on assets less interest	-
Contributions by employer including unfunded	-
Contributions by scheme participants	-
Contributions by scheme participants	-
Contributions by scheme participants	-

Amounts for the current and previous period are as follows:

	2020 £	*2019* *£*
Defined benefit pension scheme		
Defined benefit obligation	**-**	-
Scheme assets	**-**	-
Deficit	**-**	-
Experience adjustments on scheme liabilities	**-**	*548,000*
Experience adjustments on scheme assets	**-**	*(206,000)*

20. Operating lease commitments

At 31 August 2020 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	*2019* *£*
Not later than 1 year	**65,000**	*41,250*
Later than 1 year and not later than 5 years	**130,000**	-
	195,000	*41,250*