

Company number: 07739831
Charity number : 1148848



TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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SERVICES FOR EDUCATION LIMITED
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**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

SERVICES FOR EDUCATION LIMITED
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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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

CHAIR'S INTRODUCTION

Welcome to our 2021/22 Annual Report and Accounts.

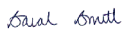
Having navigated the Covid-19 pandemic over the last couple of years, our focus this year has been in working closely with our customers and supporting them to meet the challenges faced by school leaders and teachers, and to re-introduce music and a love of the arts to the classroom. The return of our 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.

DocuSigned by:



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Sarah Smith

Chair of Trustees

SERVICES FOR EDUCATION LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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.

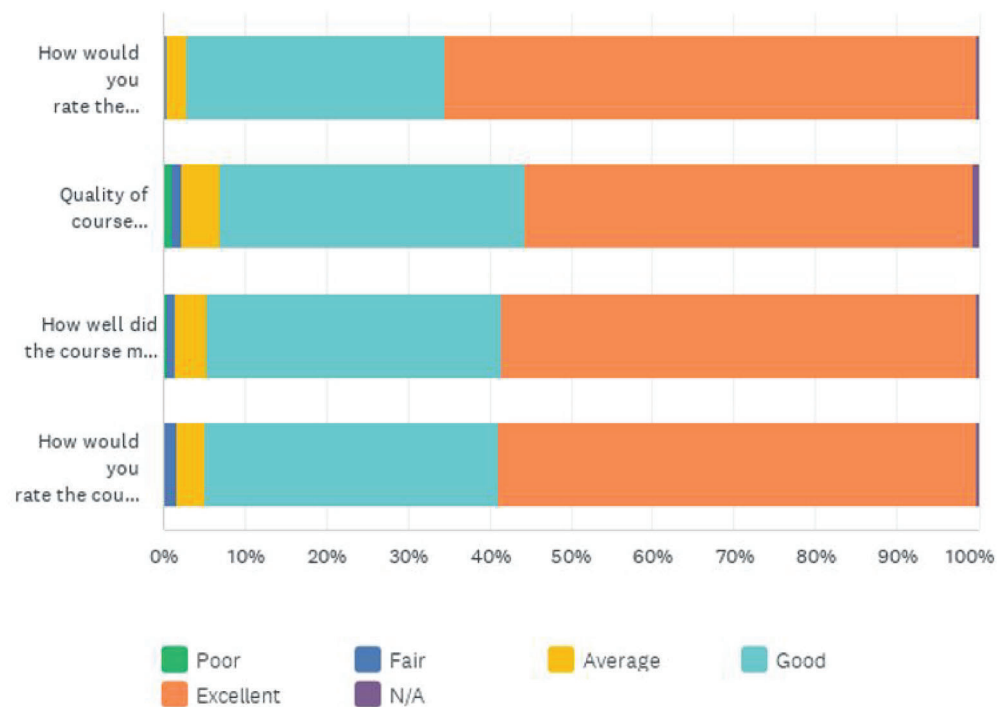
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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.



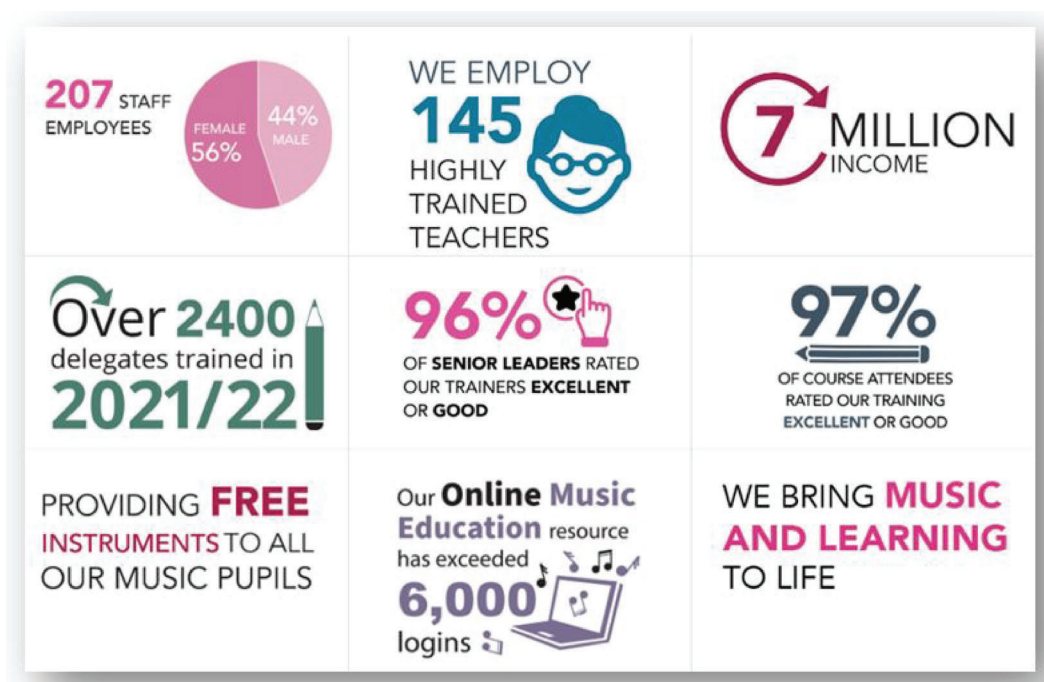
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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

- 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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

- 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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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:

C30A652AFEE641C...
Sarah Smith
Chair of Trustees
Date: 20 March 2023

SERVICES FOR EDUCATION LIMITED
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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 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.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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 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.

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.

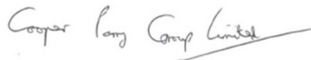
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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, 4th Floor

Two Chamberlain Square

Birmingham

B3 3AX

Date: 27 March 2023

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		<u>4,735,156</u>	<u>2,234,110</u>	<u>6,969,266</u>	<u>7,216,214</u>
Expenditure on:					
Charitable activities		4,073,553	2,738,609	6,812,162	6,283,329
Total expenditure		<u>4,073,553</u>	<u>2,738,609</u>	<u>6,812,162</u>	<u>6,283,329</u>
Net movement in funds		<u>661,603</u>	<u>(504,499)</u>	<u>157,104</u>	<u>932,885</u>
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		<u>2,604,564</u>	<u>222,193</u>	<u>2,826,757</u>	<u>2,669,653</u>

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.

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

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:



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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.

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
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets	10	(34,649)	(20,722)
		<hr/>	<hr/>
Net cash used in investing activities		<hr/> (34,649) <hr/>	<hr/> (20,722) <hr/>
Cash flows from financing activities			
Cash inflows from new borrowing		-	250,000
Repayments of borrowing	13	(250,000)	-
		<hr/>	<hr/>
Net cash (used in)/provided by financing activities		<hr/> (250,000) <hr/>	<hr/> 250,000 <hr/>
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
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	17	<hr/> <u>2,768,242</u> <hr/>	<hr/> <u>2,830,643</u> <hr/>

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

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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.

SERVICES FOR EDUCATION LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022****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
	<u>28,757</u>	<u>2,234,110</u>	<u>2,262,867</u>

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
	<u>45,611</u>	<u>2,784,077</u>	<u>2,829,688</u>

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.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>4,706,399</u>	<u>4,706,399</u>

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
	<u>4,386,526</u>	<u>4,386,526</u>

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
	<u>4,841,146</u>	<u>1,971,016</u>	<u>6,812,162</u>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>4,856,599</u>	<u>1,426,730</u>	<u>6,283,329</u>

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
	<u>4,187,190</u>	<u>653,956</u>	<u>4,841,146</u>

SERVICES FOR EDUCATION LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022****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
	<u>4,136,659</u>	<u>719,940</u>	<u>4,856,599</u>

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
	<u>1,692,165</u>	<u>272,707</u>	<u>6,144</u>	<u>1,971,016</u>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>1,229,365</u>	<u>196,413</u>	<u>952</u>	<u>1,426,730</u>

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	<u>1,000</u>	<u>1,000</u>

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
	<u>5,295,581</u>	<u>5,109,835</u>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<hr/> 216	<hr/> 231
	<hr/> <hr/>	<hr/> <hr/>

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).

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

**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

SERVICES FOR EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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
	<u>1,293,674</u>	<u>1,142,343</u>
	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)
	<u>848,989</u>	<u>814,996</u>

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

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
	<hr/>	<hr/>	<hr/>	<hr/>
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)	-
	<hr/>	<hr/>	<hr/>	<hr/>
	726,692	2,234,110	(2,738,609)	222,193
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	2,669,653	6,969,266	(6,812,162)	2,826,757
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<hr/>	<hr/>	<hr/>	<hr/>
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
	<hr/>	<hr/>	<hr/>	<hr/>
	239,973	2,784,077	(2,297,358)	726,692
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	1,736,768	7,216,214	(6,283,329)	2,669,653
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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 its 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)
	<hr/>	<hr/>	<hr/>
Total	2,604,564	222,193	2,826,757
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SERVICES FOR EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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

SERVICES FOR EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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	-
	<u>2,580,643</u>	<u>187,599</u>	<u>2,768,242</u>

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
	<u>189,016</u>	<u>202,135</u>

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.