

Company number: 07739831
Charity number : 1148848



TRUSTEES REPORT

AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

SERVICES FOR EDUCATION 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 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

SERVICES FOR EDUCATION LIMITED

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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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Our Values

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

 <p>VALUE FOR MONEY</p> <p>Everything we do provides value for money whilst allowing Services For Education to expand its charitable ambitions and impact</p>	 <p>SECURE EDUCATION PHILOSOPHY</p> <p>Everything we do is based on secure educational philosophy, integrity of purpose and is evidence based</p>
 <p>BENEFITING OUR CUSTOMERS</p> <p>Everything we do is for the benefit of our customers, beneficiaries and stakeholders</p>	 <p>PASSION</p> <p>Everything we do is with passion and care</p>

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

CHAIR'S INTRODUCTION

Welcome to our 2022/23 Annual Report and Accounts.

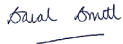
It has been a truly exciting year with some fantastic moments across the business, including some wonderful music events which you can read about below and the launch of some new services and partnerships by our School Support team.

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:

16F5EFE64D47496...
Sarah Smith

Chair of Trustees

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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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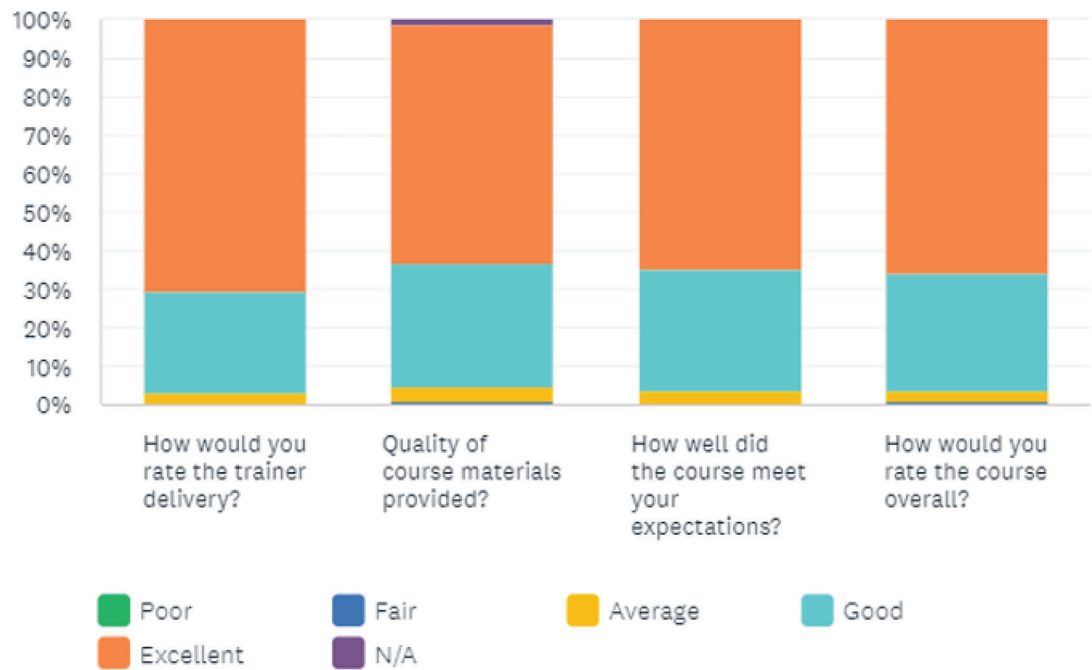
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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).

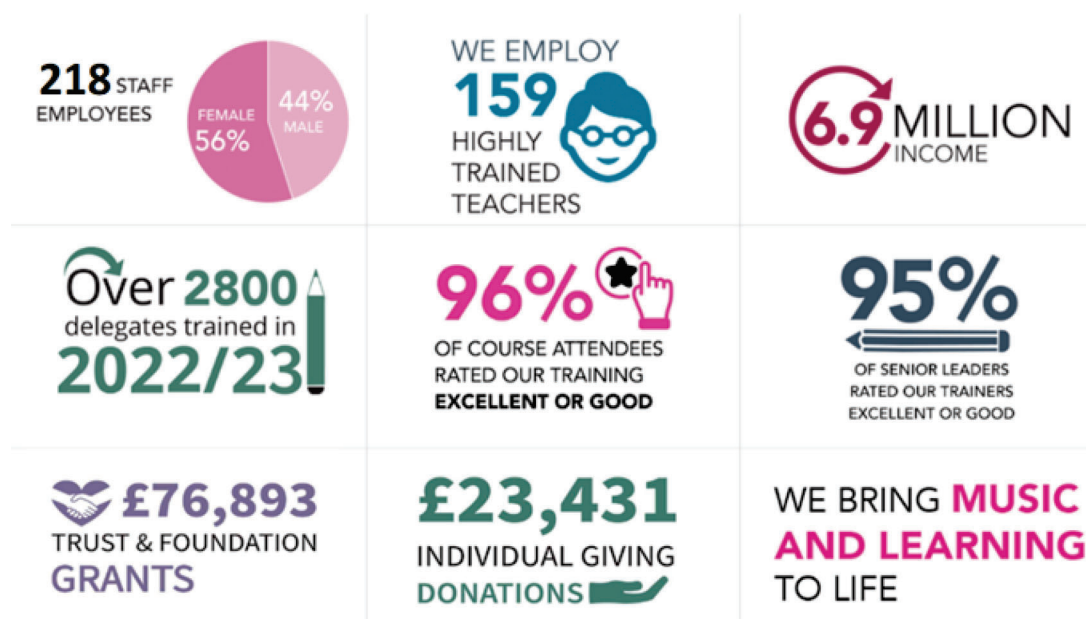
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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

- 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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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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/departamental 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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FOR THE YEAR ENDED 31 AUGUST 2023

- 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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FOR THE YEAR ENDED 31 AUGUST 2023

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

16F5EFE64D47496...

Sarah Smith

Chair of Trustees

Date: 18 March 2024

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.

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.

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.

A handwritten signature in dark ink, appearing to read 'Glen Bott', is written over a horizontal line.

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

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.

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

 16F5EFE64D47496...
Sarah Smith
 Chair of Trustees

Date: 18 March 2024

The notes on pages 24 to 39 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 2023

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

The notes on pages 24 to 39 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 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.

SERVICES FOR EDUCATION LIMITED

(A company limited by guarantee)

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

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

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>23,431</u>	<u>1,896,694</u>	<u>1,920,125</u>

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
	<u>28,757</u>	<u>2,234,110</u>	<u>2,262,867</u>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>4,962,447</u>	<u>4,962,447</u>

	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).

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	<u>38,859</u>	<u>38,859</u>	<u>-</u>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>5,312,239</u>	<u>1,722,872</u>	<u>7,035,111</u>

	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>

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.

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>4,684,421</u>	<u>627,818</u>	<u>5,312,239</u>

	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 2023****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
	<u>1,498,547</u>	<u>223,233</u>	<u>1,092</u>	<u>1,722,872</u>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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

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

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
	<u>5,570,693</u>	<u>5,299,258</u>

SERVICES FOR EDUCATION LIMITED
(A company limited by guarantee)

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

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
	<u>218</u>	<u>216</u>

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

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

SERVICES FOR EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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
	<u>1,473,161</u>	<u>1,293,674</u>
	<u><u>1,473,161</u></u>	<u><u>1,293,674</u></u>
	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)
	<u>1,060,392</u>	<u>848,989</u>
	<u><u>1,060,392</u></u>	<u><u>848,989</u></u>

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

SERVICES FOR EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
Arts Council England	166,825	1,809,193	(1,976,018)	-
Other	55,368	87,501	(90,317)	52,552
	<hr/>	<hr/>	<hr/>	<hr/>
	222,193	1,896,694	(2,066,335)	52,552
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	2,826,757	6,921,431	(7,035,111)	2,713,077
	<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 2023**

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
	<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	<hr/> <hr/> 2,669,653	<hr/> <hr/> 6,969,266	<hr/> <hr/> (6,812,162)	<hr/> <hr/> 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 its 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)
	<hr/>	<hr/>	<hr/>
Total	<hr/> <hr/> 2,660,525	<hr/> <hr/> 52,552	<hr/> <hr/> 2,713,077

SERVICES FOR EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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	<u>2,604,564</u>	<u>222,193</u>	<u>2,826,757</u>

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	<u>192,976</u>	<u>222,248</u>

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	<u>2,944,847</u>	<u>2,768,242</u>

SERVICES FOR EDUCATION LIMITED**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023****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
	<u>2,768,242</u>	<u>176,605</u>	<u>2,944,847</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 £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
	<u>83,480</u>	<u>189,016</u>

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.