

# Tŷ Cerdd - Music Centre Wales

Annual Report and Financial Statements

for the Year Ended 31 March 2023



HSJ Audit Limited  
Auditor  
Severn House  
Hazell Drive  
Newport  
NP10 8FY

## **Contents**

Trustees' Report	1 to 10
Independent Auditors' Report	11 to 13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17 to 27

## Trustees' Report

The trustees present the annual report together with the financial statements and auditors' report of the charity for the year ended 31 March 2023.

### OBJECTIVES AND ACTIVITIES

Tŷ Cerdd's mission is:

**To support artists, communities and audiences to create, perform and participate in the music of Wales.**

And our vision:

**We envisage a Wales in which music-creators of all genres and backgrounds are enabled to make music and develop careers; in which a diversity of people and communities can engage in and enjoy Welsh music.**

**If you're making music in Wales, it's Welsh music!**

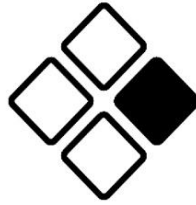
We deliver this mission and vision through a range of activities with composers / music-creators and collaboration with organisations and communities. We served the whole of Wales and increasingly work from our homes (which take in south-east and west Wales), and our base in Wales Millennium Centre, which hosts a recording studio and a library of music for hire, alongside an archive collection.

We engage with international audiences and sectors, not only through our record label and publishing imprint, but also through artist-development initiatives with partners, and through our place in a range of international networks.

We deliver Lottery funding on behalf of Arts Council of Wales.

Our current goals as a charity are:

- Providing greater equality of opportunity for artists and communities
- Sustaining & developing excellence
- Ensuring a fit and agile organisation, able to deliver work for stakeholders and with partners
- Strengthening the music infrastructure within Wales



## Cornerstones / Conglfeini



### Artists / Artistiaid

We place artists at the heart of our work. We value their innovation, their creativity and their diversity. We are committed to enabling the creation of Welsh music, across a range of genres.

*Rydym yn rhoi artistiaid yng nghanol ein gwaith. Rydym yn gwerthfawrogi eu harloesedd, eu creadigrwydd a'u hamrywiaeth. Rydym yn ymrwymedig i hybu cyfleoedd i greu cerddoriaeth Gymreig, ar draws ystod o genres.*



### Communities / Cymunedau

The communities across Wales making music are our lifeblood.

*Y cymunedau sy'n cerddora ar draws Cymru yw ein heneidfaeth.*



### Diversity / Amrywiaeth

We celebrate and embrace the diversity of people in Wales, and value difference.

*Rydym yn dathlu ac yn cofleidio amrywiaeth pobl Cymru gan werthfawrogi'r gwahaniaethau.*



### Equality / Cydraddoldeb

We are passionate about equality for artists and audiences, and strive to remove barriers, be they of race, gender, gender-identity, disability, age, geography, sexuality, religion, language, poverty.

*Rydym ar dân dros gydraddoldeb, i artistiaid a chynulleidfaoedd, gan ymdrechu i gael gwared â rhwystrau, boed ar sail hil, rhywedd, hunaniaeth rywedd, anabledd, oedran, daearyddiaeth, rhywioldeb, crefydd, iaith neu dlodi.*



### Kindness / Caredigrwydd

Kindness and compassion are central to our organisational culture, and to all our engagement.

*Mae caredigrwydd a thrugaredd yn ganolog i ddiwylliant ein sefydliad ac i'n holl weithgarwch ymgysylltu.*



### Partnerships / Partneriaethau

We collaborate across these cornerstones with organisations and partners to develop opportunities and improve access for artists and audiences.

*Rydym yn cydweithredu ar draws y conglfeini yma â sefydliadau a phartneriaid i ddatblygu cyfleoedd a gwella mynediad i artistiaid a chynulleidfaoedd.*



### Sustainability / Cynaliadwyedd

Protection of the environment is fundamental, and we acknowledge our responsibility to respond to the global climate emergency.

*Mater sylfaenol yw amddiffyn yr amgylchedd ac rydym yn cydnabod ein cyfrifoldeb i ymateb i'r argyfwng hinsawdd byd-eang.*

### *Public benefit*

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous twelve months. The review looks at the success of each key activity and the benefits. The review also helps us ensure our aims, objectives and activities remained focused on our stated objectives. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities thus ensuring that it continues in its purpose.

### *Grant making policies*

Grants payable are payments made to third parties in the furtherance of the charitable objectives. Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specific service or output.

Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

## ACHIEVEMENTS AND PERFORMANCE

2022-23 at Tŷ Cerdd saw a wide range of activity – from development work with music-creators and artists and sector support, to distribution of funding and delivery of priorities for our funders and partners. Our motto “if you’re making music in Wales, it’s Welsh music” underpinned the entire programme of work.

The CoDi (Composer Development Initiative) programme, remains a vital part of Tŷ Cerdd's commitment to the development of music-creators and is at the forefront of our strategic support for Welsh music. Using an iterative approach to develop new pathways, Tŷ Cerdd builds on the success and learnings from previous years to tackle barriers to participation and development for targeted groups, genres or to demographics. With continuing support from the Arts Council of Wales, PRS Foundation (through their UK-wide Talent Development Programme) and RVW Trust, CoDi 2022-23 included:

- **Somali Dance** In partnership with Hayaat Women Trust, National Dance Company Wales and Literature Wales, this pathway offered support to women who wanted to develop their practice of the discipline. Workshops were held under the direction of four lead artists – dancer Muna Isman, singer Ifraah Abdilahi, drummer Faduma Jama, poet Umulkhayr Mohamed. The pathway ended with a sharing-performance of the work attended by over 100 women and girls.
- **Organ@Soar** was an artist-development pathway to writing for organ for Welsh and Wales-based music-creators of any genre. Over a series of workshops, six music-creators explored techniques and approaches with lead composer Richard Baker and lead performer James McVinnie, culminating with a successful premiere held at Theatr Soar. Participants: Owain Hughes, Andrew Cusworth, Hannah Paloma, Dafydd Dabson, Heledd C Evans, David John Roche
- **Bwthyn Sonig** is Tŷ Cerdd's partnership approach to working with and enabling learning-disabled music-creators – run in partnership with Canolfan Gerdd William Mathias (Caernarfon), Touch Trust (Cardiff), lead artists Teifi Emerald and Elin Taylor, and Glasgow-based partner Sonic Bothy. First run as an ACW-funded Connect & Flourish project, the

next phase of the project involved discussions on working flexibly, decision making, navigating payment and accreditation for disabled artists' work, terminology and creating safe spaces. Talks and workshops featured community musician Sarah Fisher, Creative Director of Sonic Bothy, Claire Docherty, and musician/music-creator Teifi Emerald.

- **CoDi Mentoring Circle** – six mid-career music-creators were brought together to share practice and learning.  
**Participating artists:** Ashley John Long, Eloise Gynn, Francesca Simmons, Joseph Davies, Lleuwen Steffan, Richard Baker.
- **CoDi NightMusic** continued to provide opportunities for composers to write for the series of NightMusic performances presented at St David's Hall, Cardiff – and to have their works published and recorded. This year's commissions were:  
Niamh O'Donnell – for soprano Héloïse Werner and harpist Anne Denholm  
Tayla-Leigh Payne – for organist James McVinnie  
Ethnie Foulkes – for soprano Ruby Hughes and pianist Huw Watkins
- **CoDi Off-Grid** – a network for experimental sound-artists and music-creators. This year's activity included a collaboration with the Welsh Experimental Music Alliance to present *New Expectations* – an experimental music conference and an opportunity to work collaboratively and share practice. At Bangor Music Festival Ash Cooke and Chris Parfitt ran *Listen/Play/Paint*, a cross disciplinary workshop exploring free improvisation through music and painting. Webinars for the network saw sessions by experimental vocalist/music-creator Elaine Mitchener, sound artist Freya Dooley, and John Harvey with an overview on his sound work on Welsh coalmining and Penallta Colliery.
- **CoDi Interact** continued to run workshops aimed at Welsh/Wales-based music-creators. The webinars covered the subjects *Sell Your Music, Not your Soul – Retaining artistic identity in a commercial world*, with Jordan Rees, *Self Releasing* – Matthew Whiteside, *Natural Elements and Human Imprints – Using field recording in an orchestral piece* – Colin Riley in conversation with Matthew Wood.
- **CoDi Cân** – a collaboration with the National Eisteddfod, supporting young artists of colour to develop new songs in the Welsh language. Participating artists performed their new songs on the #Encore stage at the Eisteddfod in Tregaron, alongside their mentors Eädyth and Lily Beau, who presented the event.

The ongoing **Music Industry 101** sessions continued the contribution to the **Music and Race in Wales** strategy which underpins our work. The sessions are open to all and led by music-creators of colour. In 2022-23 the webinars were led by Aisha Kigwalilo and Natalie Jones, and focussed on applying for artist showcases and funding opportunities.

Polskerdd, a programme of music-making (led by two Wales-based artists Małgola Gulczynaksa and Sarah Zyborska) was a partnership with Penparcau Community Forum and Aberystwyth Arts Centre – engaging members of the community (including the Polish diaspora).

Support for music-making across Wales was delivered through our **Lottery funds**, delegated from Arts Council of Wales, and split across three pots:

- **Create** – resourcing the creation of new work by music-creators of any genre
- **Engage** – funding a range of activity, from live performance and workshops to community collaborations
- **Inspire** – supporting the development of work with participants aged under 26

From leisure-time and community groups to professional work in a range of diverse settings, over £145k of funds was distributed in 99 awards to organisations (23 Create, 42 Engage, 34 Inspire). All schemes continue to be over-subscribed each round, and our relationships with Disability Arts Cymru and Race Council Cymru have been an ongoing part of a commitment to ensuring representation on our funding panels.

Working with Making Music, we organised a meeting with Deputy Minister for Arts, Sport and Tourism Dawn Bowden MS, building on the connection we made during the pandemic, to allow leisure-time and community groups to hear about the Welsh Government's work in the sector and to provide an opportunity to raise issues relevant to their groups.

In 2022-23 we continued work on **Tŷ Cerdd Records** with a number of albums for which planning had started prior to the COVID-19 pandemic coming to fruition. Releases during this period were:

- ***Soliloquies for Harp*** – Welsh harpist Gwenllïan Llŷr's captivating collection of Welsh music spanning centuries: from 18th-century harpist and composer John Parry, through Morfydd Owen and Grace Williams, to composers living in Wales today.
- ***2117 / Hedd Wyn*** – Welsh-language opera by composer Stephen McNeff and librettist Gruff Rhys (of Super Furry Animals) is set in 2117 – 200 years after the death, in the World War I trenches, of iconic Welsh bard Hedd Wyn.
- ***Undod/Unity*** – the second album by Khamira, a Welsh-Indian outfit originally brought together in 2015 by Welsh trumpeter/music-creator Tomos Williams, features original compositions, interpretations of Welsh and traditional Indian music
- ***Unbroken Threads*** – this release features works by five British composers, performed by violinist Mary Hofman and pianist Richard Ormrod.
- ***Between Earth and Sea*** – this debut release by Trio Anima – flautist Matthew Featherstone, harpist Anneke Hodnett, and violist Rosalind Ventris – champions both brand new British music and enduring repertoire.

In January 2023 we used our newly created digital artist-led record label **Sionci** to release ***Heal Yourself***, a bilingual single by Eädyth Crawford.

Tŷ Cerdd continued to work with Steve Long of independent label Signum Records on a strategy to extend our physical distribution and to review our digital distribution.

As well as publishing 3 NightMusic commissions, **Tŷ Cerdd Publications** activity continued to provide support to composers, as well as providing a vehicle to document new work created through the CoDi programme. 9 new publications were added to the catalogue along with ***Fantastic Fables*** by Gareth Glyn and Anni Llŷn - a songbook and resource booklet for schools.

The **Tŷ Cerdd library and collection** continued to provide performing groups and societies with scores for their rehearsals and performances and facilitated access to the research resource available within the archive.

We continued to develop our partnership with **RWCMD** and collaborated to present a series of performances on the Eisteddfod's Encore stage. Our partnership reaches across the musical activity of the conservatoire, and this year included a number of talks as part of undergraduate and masters courses, as well as visits from students to our music collection.

**Showcase Scotland Artist Development Programme:** following our work in 2022 in partnership with FOCUS Wales and Trac Cymru, with funding and support from Wales Arts International, we worked to deliver the call to artists for the 2023 event – which featured Wales alongside Brittany. We supported artists VRi, Gwilym Bowen Rhys and Cerys Hafana (as artists selected for the Showcase) alongside a cohort of 12 other long-listed artists/bands.

Tŷ Cerdd continued to play a vital role in **sector representation and development**, within Wales and the UK, and on an international stage including:

- **IAMIC** (International Association of Music Centres) – an international network that continues to offer opportunities for sharing of best-practice and networking. The Tŷ Cerdd director chaired the Activities group, leading on developing work for the membership and attended the conference held in Hamburg, Bonn and Cologne in May 2022.
- **ISCM** (International Society for Contemporary Music) – another important network for Wales and Tŷ Cerdd. We submitted Welsh work to ISCM's online initiative to share new work internationally; and took part in the organisation's digital General Assembly, as well as running a call for scores to Welsh artists. Director, Deborah Keyser, represented Tŷ Cerdd at the ISCM General Assembly and World New Music Days festival in New Zealand (Auckland and Christchurch) in August 2022 (postponed from 2020). Composer Mark Bowden's *Five Memos* for violin and piano was selected as the Welsh work, performed in Christchurch.
- Attendance at **Classical:Next** in Hannover in May 2022. Tŷ Cerdd, with funding from Wales Arts International, led the Wales representation at this event, the largest global gathering of professionals for all sectors of classical art and music.
- In partnership with Wales Arts International, Tŷ Cerdd led the Wales delegation at **WOMEX** in Lisbon in October 2022.

The commercial work in our studio space was impacted during this period due to the development works carried out in **Wales Millennium Centre**. However, we continue take part in consultation and visioning work into the creation of new Makers' Spaces at the venue – contributing to discussion about how these spaces will enhance the activity carried out by Tŷ Cerdd and Wales Millennium Centre.

As 2022-23 closed we announced **#WelshMusicAbroad** with partners FOCUS Wales and Trac Cymru. Building on the work already delivered together for the ACW-funded Showcase Scotland artist development programme, the trio are moving forward together to create opportunities for artists and industry to engage music markets across the globe.

Tŷ Cerdd's board of trustees continued to provide **governance** and invaluable support to the staff team through quarterly board meetings and monthly board shorts. We saw the retirement of three long-term trustees, but recruited seven new trustees (including three under-30s) in order to strengthen representation and increase the skill profile of our board.

## Financial review

### *Policy on reserves*

As at 31 March 2023 the charity was reporting total reserves of £271,897 (2022: £244,921). Of this balance £122,004 (2022: £122,645) related to general unrestricted reserves and £149,893 (2022: £122,276) related to restricted reserves.

Of the unrestricted reserves a balance £99,327 (2022: £95,456) related to free reserves which are readily available to the Trustees.

It is the policy of the charity to hold sufficient reserves to meet all immediate liabilities and costs associated with any known future commitments. The level at which this balance is set is reviewed periodically by the trustees' to ensure reflective of the charity's current position.

### *Investment policy and objectives*

Any surplus cash balances held are deposited within interest bearing accounts.

## PLANS FOR FUTURE PERIODS

Plans for 2023-24 include

The development of **CoDi** artist development work, with a range of interventions and creative pathways, including:

- **BŴM** – a pathway for four early-career artists in making outdoor music and sound that responds to themes of climate crisis, in partnership with Oxford Contemporary Music and Articulture.
- Further development of **Bwthyn Sonig** – moving forward the work enabling learning-disabled music creators in North and South Wales (with Canolfan Gerdd William Mathias and Touch Trust).
- **Composers Studio** – in partnership with UPROAR and Theatr Soar. Six early-career music-creators developing their skills in composition for 12-piece conducted ensemble, with lead composers Lynne Plowman and Richard Baker
- **Tlws y Cyfansoddwr** – a reboot of the National Eisteddfod's Tlws y Cerddor – creating a pathway for three composers, with lead artist John Rea and musicians from Sinfonia Cymru.
- **Pathway to the orchestra** – four untrained composers learning about writing for orchestral instruments (in partnership with BBC NOW, and lead artist Lynne Plowman).
- **mentoring** scheme
- adding capacity and activity the **Off-Grid** network
- range of professional development **workshops**

Releases on **Tŷ Cerdd Records** of:

- ***Grime Schumann Watkins Schumann*** – Odysseus Piano Trio
- ***amrwd*** – Angharad Jenkins & Patrick Rimes

Further strategic work in **Equalities, Diversity and Inclusion** work, including development of CoDi Cân / Affricerdd, and the Music Industry 101 strand.

Advancement of our **Lottery** schemes, ensuring representation on panels, with the help of Disability Arts Cymru and Race Council Cymru.

The furtherance of our **international work**, including through the ISCM and IAMIC networks, and the delivery of the Wales presence at WOMEX, in partnership with Wales Arts International

Continued dialogue and planning with **WMC** over the development of Makers' Spaces and office.

Development of the **#WelshMusicAbroad** partnership with FOCUS Wales and Trac Cymru.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### *Nature of governing document*

The charity is controlled by its constitution being a constitution of a Charitable Incorporated Organisation (CIO).

### *Recruitment and appointment of trustees*

As set out in the Constitution, the Chairman and Vice Chairman are elected by, and the Director and treasurer appointed by, the trustees.

### *Induction and training of trustees*

All new trustees undergo an induction programme, which includes:

- an induction pack that is given to new trustees (and to re-elected trustees), which includes policy and procedures such as declaration of interest, confidentiality, policies and means of assistance for member societies
- any other training which may be required from time to time.

### **Relationships with related parties**

#### **Arts Council of Wales**

The Charity receives funding from the Arts Council of Wales, one of whose officers attends meetings of the Board, and regularly liaises with the Director. The Arts Council of Wales provided revenue grant funding to Tŷ Cerdd - Music Centre Wales this financial year in the sum of £216,383 (2022: £206,775).

#### **Organisational structure**

Tŷ Cerdd's board of trustees meets quarterly, with frequent Board Shorts between main meetings (monthly, where possible). All trustees are required to declare conflicts of interest annually and to absent themselves from the meeting in the case of a personal conflict. Trustees are appointed for an initial term of three years and can be re-elected at Annual General Meetings (or other specially convened meetings) for two subsequent terms of three years.

## REFERENCE AND ADMINISTRATIVE DETAILS

### Trustees

Steph Power, Chair  
Claire Foster (appointed 07/12/2022)  
Christina Macaulay (appointed 22/06/2022)  
Christopher Parsons (retired 07/12/2022)  
Gareth Churchill (appointed 23/03/2023)  
Cillian Green (retired 07/12/2022)  
Ciselle Dugdale (appointed 21/09/2022)  
Graham Howe  
Harriet Wybor  
John Hywel Morris  
Litang Shao (appointed 07/12/2022)  
Klaudia Zawadka (appointed 22/06/2022)  
Niamh O'Donnell (appointed 21/09/2022)  
Rachel Ford-Evans  
Sara Beer (retired 07/12/2022)  
Tumi Williams

### Staff

Deborah Keyser, Director  
Abby Charles, Head of Finance and Administration  
Ethan Davies, Publishing & Research Officer  
James Clarke, Recording Studio Manager & Producer  
Laila Khan, Administrative Assistant  
Matthew Thistlewood, Head of Content  
Shakira Mahabir, Relationships & Communications Manager

### Principal Office

The Wales Millennium Centre  
Bute Place  
Cardiff  
CF10 5AL

### Charity Registration Number

1152853

### Bankers

HSBC, Cardiff

### Auditor

HSJ Audit Limited  
Auditor  
Severn House, Hazell Drive, Newport NP10 8FY

## Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

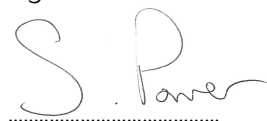
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 13 December 2023 and signed on its behalf by:

  
.....

Steph Power

Chair

## Independent Auditor's Report to the Members of Tŷ Cerdd - Music Centre Wales

### Opinion

We have audited the financial statements of Tŷ Cerdd - Music Centre Wales (the 'charity') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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 Charities Act 2011.

### 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 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.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We corroborated our enquiries of management by review of correspondence with HMRC, The Charity Commission and other regulatory bodies.

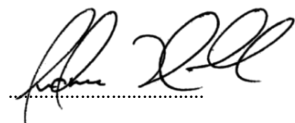
We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach.

Based on the results of our risk assessment we designed our audit procedures to identify and address material misstatements in relation to fraud.

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)

For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House

Hazell Drive

Newport

NP10 8FY

Date: **19/12/2023**

## Tŷ Cerdd - Music Centre Wales

### Statement of Financial Activities for the Year Ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies		5,235	-	5,235
Charitable activities		281,605	290,484	572,089
Other income		1,328	-	1,328
Total income		288,168	290,484	578,652
<b>Expenditure on:</b>				
Charitable activities		(288,809)	(262,867)	(551,676)
Total expenditure		(288,809)	(262,867)	(551,676)
Net (expenditure)/income		(641)	27,617	26,976
Net movement in funds		(641)	27,617	26,976
<b>Reconciliation of funds</b>				
Total funds brought forward		122,645	122,276	244,921
Total funds carried forward	14	122,004	149,893	271,897
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies		7,471	-	7,471
Charitable activities		260,336	320,369	580,705
Other income		1,668	-	1,668
Total income		269,475	320,369	589,844
<b>Expenditure on:</b>				
Charitable activities		(278,754)	(275,055)	(553,809)
Total expenditure		(278,754)	(275,055)	(553,809)
Net (expenditure)/income		(9,279)	45,314	36,035
Net movement in funds		(9,279)	45,314	36,035
<b>Reconciliation of funds</b>				
Total funds brought forward		131,924	76,962	208,886
Total funds carried forward	14	122,645	122,276	244,921

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown for 2022 is shown in note 14.


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

## Tŷ Cerdd - Music Centre Wales

(Registration number: 1152853)  
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	8	39,754	45,543
<b>Current assets</b>			
Stocks	9	13,439	12,926
Debtors	10	67,126	76,437
Cash at bank and in hand	11	213,750	223,319
		<u>294,315</u>	<u>312,682</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(62,172)</u>	<u>(113,304)</u>
<b>Net current assets</b>		<u>232,143</u>	<u>199,378</u>
<b>Net assets</b>		<u>271,897</u>	<u>244,921</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	14	149,893	122,276
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>122,004</u>	<u>122,645</u>
<b>Total funds</b>	14	<u>271,897</u>	<u>244,921</u>

The financial statements on pages 14 to 27 were approved by the trustees, and authorised for issue on 13 December 2023 and signed on their behalf by:

  
Steph Power  
Chair

## Tŷ Cerdd - Music Centre Wales

### Cash Flow Statement for the Year Ended 31 March 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash income		26,976	36,035
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		8,733	9,641
		<u>35,709</u>	<u>45,676</u>
<b>Working capital adjustments</b>			
Increase in stocks	9	(513)	(1,982)
Decrease in debtors	10	9,311	61,839
Decrease in creditors	12	(51,132)	(57,644)
Net cash flows from operating activities		<u>(6,625)</u>	<u>47,889</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	8	<u>(2,944)</u>	<u>(4,640)</u>
Net (decrease)/increase in cash and cash equivalents		(9,569)	43,249
Cash and cash equivalents at 1 April		<u>223,319</u>	<u>180,070</u>
Cash and cash equivalents at 31 March		<u>213,750</u>	<u>223,319</u>

All of the cash flows are derived from continuing operations during the above two periods.

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 1 Accounting policies

##### Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### Basis of preparation

Tŷ Cerdd - Music Centre Wales meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### Intangible assets

Intangible assets represent recording costs in relation to online content and are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised over their estimated useful economic lives.

### Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

### Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Recording costs	5 years straight line

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Library publications - 10% straight line

Musical instruments - 25 years straight line

Studio and office equipment - 20% straight line

### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the weighted average method.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 2 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations and legacies;			
Donations from individuals	235	235	2,471
Legacies	5,000	5,000	5,000
	<u>5,235</u>	<u>5,235</u>	<u>7,471</u>

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Library hire charges	1,481	-	1,481	718
Recording studio	49,941	-	49,941	41,973
Arts Council of Wales Revenue Grant	216,383	22,992	239,375	206,775
Arts Council of Wales Lottery Grant	7,800	148,200	156,000	156,000
CoDI Project	6,000	64,170	70,170	61,504
Affricerdd	-	-	-	6,640
Tapestri	-	24,570	24,570	49,140
International Events	-	30,552	30,552	3,341
Wales Arts International	-	-	-	29,988
Arts Active Trust	-	-	-	10,000
WJCB	-	-	-	1,463
Jerwood Arts	-	-	-	13,163
	281,605	290,484	572,089	580,705

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 4 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Basis of allocation	Staff costs £	Premises costs including depreciation £	Total 2023 £	Total 2022 £
Development of Welsh Music	Percentage time spent	40,041	11,854	51,895	52,012

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Audit fees			
Audit of the financial statements	3,257	3,257	3,070
Other fees paid to auditors	1,754	1,754	1,700
Legal fees	1,158	1,158	2,477
	6,169	6,169	7,247

#### 5

During the year the charity made the following transactions with trustees:

##### Steph Power

£Nil (2022: £2,477) of expenses were reimbursed to Steph Power during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 6 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	153,578	148,454
Social security costs	14,876	13,970
Pension costs	31,754	30,367
	<u>200,208</u>	<u>192,791</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Development of Welsh Music	5	4
Administration and support	2	2
	<u>7</u>	<u>6</u>

No employee received emoluments of more than £60,000 during the year

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 8 Tangible fixed assets

	Furniture and equipment £	Other tangible fixed asset £	Total £
<b>Cost</b>			
At 1 April 2022	59,259	31,920	91,179
Additions	2,944	-	2,944
At 31 March 2023	62,203	31,920	94,123
<b>Depreciation</b>			
At 1 April 2022	35,421	10,215	45,636
Charge for the year	7,456	1,277	8,733
At 31 March 2023	42,877	11,492	54,369
<b>Net book value</b>			
At 31 March 2023	19,326	20,428	39,754
At 31 March 2022	23,838	21,705	45,543

#### 9 Stock

	2023 £	2022 £
Stocks	13,439	12,926

#### 10 Debtors

	2023 £	2022 £
Trade debtors	24,175	1,090
Prepayments	41,551	73,947
Other debtors	1,400	1,400
	67,126	76,437

#### 11 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	213,750	223,319

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

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

	2023 £	2022 £
Trade creditors	55,952	75,328
Other creditors	2,080	-
Accruals	4,140	37,976
	<u>62,172</u>	<u>113,304</u>
	2023 £	2022 £
Deferred income at 1 April 2022	(18,772)	(10,000)
Resources deferred in the period	-	(13,772)
Amounts released from previous periods	18,772	5,000
Deferred income at year end	<u>-</u>	<u>(18,772)</u>

#### 13 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
<b>Land and buildings</b>		
Within one year	<u>14,625</u>	<u>14,625</u>
<b>Other</b>		
Within one year	-	478
Between one and five years	<u>-</u>	<u>2,627</u>
	<u>-</u>	<u>3,105</u>

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 14 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>				
<i>General</i>				
General Fund	122,645	288,168	(288,809)	122,004
<b>Restricted funds</b>				
Grand piano	18,354	-	(1,277)	17,077
CoDi Project	22,024	64,170	(40,830)	45,364
Lottery	46,867	148,200	(153,877)	41,190
Affricerdd	277	-	(277)	-
International Events	1,954	30,552	(29,133)	3,373
Arts Active Trust	6,999	-	(5,576)	1,423
Tapestri	12,588	24,570	(17,836)	19,322
Showcase Scotland	13,213	22,992	(14,061)	22,144
<b>Total restricted funds</b>	<u>122,276</u>	<u>290,484</u>	<u>(262,867)</u>	<u>149,893</u>
<b>Total funds</b>	<u>244,921</u>	<u>578,652</u>	<u>(551,676)</u>	<u>271,897</u>

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
<i>General</i>				
General Fund	131,924	269,475	(278,754)	122,645
<b>Restricted</b>				
Grand piano	19,631	-	(1,277)	18,354
CoDi Project	35,186	58,434	(71,597)	22,023
Lottery	22,145	148,200	(123,478)	46,867
Affricerdd	-	6,640	(6,363)	277
International Events	-	3,342	(1,388)	1,954
Wales Arts International	-	29,988	(16,775)	13,213
Arts Active Trust	-	10,000	(3,000)	7,000
WJCB	-	14,625	(14,625)	-
Tapestri	-	49,140	(36,552)	12,588
<b>Total restricted funds</b>	<b>76,962</b>	<b>320,369</b>	<b>(275,055)</b>	<b>122,276</b>
<b>Total funds</b>	<b>208,886</b>	<b>589,844</b>	<b>(553,809)</b>	<b>244,921</b>

The specific purposes for which the funds are to be applied are as follows:

The Grand piano fund represents the gift of a grand piano to Tŷ Cerdd.

### 15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	22,677	17,077	39,754
Current assets	161,499	132,816	294,315
Current liabilities	(62,172)	-	(62,172)
<b>Total net assets</b>	<b>122,004</b>	<b>149,893</b>	<b>271,897</b>

## Tŷ Cerdd - Music Centre Wales

### Notes to the Financial Statements for the Year Ended 31 March 2023

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	27,189	18,354	45,543
Current assets	208,760	103,922	312,682
Current liabilities	(113,304)	-	(113,304)
Total net assets	122,645	122,276	244,921