

**REGISTERED COMPANY NUMBER: 11033978 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1180335**

**Report of the Trustees and**  
**Audited Financial Statements for the Period 1st April 2023 to 31st August 2024**  
**for**  
**Severn Arts**  
**(A Company Limited by Guarantee)**

**Richards Sandy Audit Services Limited**  
**(Statutory Auditor)**  
**Thorneloe House**  
**25 Barbourne Road**  
**Worcester**  
**WR1 1RU**

## Severn Arts

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**Severn Arts**

**Reference and Administrative Details  
for the Period 1st April 2023 to 31st August 2024**

<b>TRUSTEES</b>	J Berrow E S Davies J de la Cour K A Edwards (resigned 17.1.24) D Herbert H Perrott C V J Phillips (resigned 5.6.24) N Phillips (appointed 27.3.24) C Shiels A R Watts (resigned 5.6.24) G R Wells (appointed 27.3.24) V J Yates (appointed 27.3.24)
<b>REGISTERED OFFICE</b>	Suite 11 Malvern Gate Bromwich Road Worcester Worcestershire WR2 4BN
<b>REGISTERED COMPANY NUMBER</b>	11033978 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1180335
<b>AUDITORS</b>	Richards Sandy Audit Services Limited (Statutory Auditor) Thorneloe House 25 Barbourne Road Worcester WR1 1RU
<b>SENIOR MANAGEMENT TEAM</b>	Laura Worsfold (Chief Executive Officer) Debra Fawcett (Director of Music Education) Elaine Knight (Arts Director) Alex Green (Director of Resources & Operations)
<b>SOLICITORS</b>	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
<b>BANKER</b>	Lloyds plc 25 Gresham Street London EC2V 7HN

## **Severn Arts**

### **Report of the Trustees for the Period 1st April 2023 to 31st August 2024**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 1st April 2023 to 31st August 2024. The trustees have adopted the provisions of 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).

#### **INTRODUCTION**

Severn Arts is the lead organisation for the delivery and operation of music education in Herefordshire and Worcestershire. It is contracted to run the County Arts services and delivers, facilitates or is a partner in various arts related projects across Worcestershire. Severn Arts continues to project manage the Arches Worcester capital scheme that is funded by DCMS/Arts Council England through the Cultural Development Fund, with completion expected by December 2025. Severn Arts is also commissioned to manage a community arts coordinator and programme on behalf of Malvern Hills District Council.

The Company is a registered charity with the Charity Commission (charity number 1180335).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objects and Activities**

The Company has widely drawn charitable Objects which focus on education, music and the arts and the promotion of social inclusion.

The Company's Objects are:

- The advancement of education, particularly through the promotion of high quality teaching and learning, including (but not limited to) the subjects of music and the arts.
- The advancement of the arts and culture, particularly (but not limited to) through the promotion and teaching of music and the arts, promotion of accessibility to, and in participation in, the arts, provision of training, support and networking opportunities for aspiring artists, provision of commissions.
- To assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of services not normally provided by the statutory authorities, including (but not limited to) arts activities, dance and drama programmes for people with learning disabilities and /or terminal illnesses.
- To promote social inclusion by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

The Company's current aims are:

- To deliver the work of the Worcestershire Music Education Hub against the requirements outlined in the National Plan for Music Education.
- To provide and develop opportunities for music tuition, instrument repair and loan and activity for children and young people in Worcestershire.
- To deliver arts activities as outlined in an Arts Plan currently supported by Worcestershire County Council.
- To project manage and complete The Arches Worcester Cultural Development Fund (CDF) project (capital programme).
- To manage a community arts coordinator and programme on behalf of Malvern Hills District Council.
- To represent the cultural sector as a partner in the Creative People and Places Programme in Redditch.
- To deliver projects with align with our objects as and when we are commissioned to do so.

The principal strategies employed to achieve these aims are:

- To present subsidised, affordable whole-class, small group and 1-2-1 music tuition in schools delivered by experienced, high-quality music teachers.
- To provide an extensive orchestra and ensemble offer and performance opportunities.
- To support and implement music and arts education projects that engage children and young people with creative activity and encourage progression and growth.
- To develop and nurture excellence in teaching practice and invest in continuous professional development (CPD) and resources that support music teachers to implement an enriched and inspiring curriculum.
- To provide inspiring, arts programmes and opportunities that reflect ambition, involve, and engage young people and the wider community in the creative arts sector and provide platforms for artistic talent to grow and prosper.
- To provide support, training, and development opportunities for creative professionals.
- To employ and develop a dedicated and skilled diverse workforce.

## Severn Arts

### Report of the Trustees for the Period 1st April 2023 to 31st August 2024

#### ACHIEVEMENT AND PERFORMANCE

The focus for the past year has been on sustaining our core music education role by applying to be the Hub Lead Organisation for Herefordshire and Worcestershire and on bringing in longer-term funding that supports our core purpose and allows for continuation and development of our arts projects and activities. We appointed more staff in marketing and have supported three more young graduates in paid internships and placements. We have successfully continued Light Night and have been present as a committed arts partner across the county and the West Midlands, representing our sector on several Boards and Arts Council groups. We continued to increase our income through accessing awards, grants and/or commissions from Paul Hamlyn Foundation, legacy funds, the Elmley Foundation, Heart of England Inclusive Communities Fund, Young Sounds (formerly known as Awards for Young Musicians), Arts Council England, Heart of England Community Foundation, University of Worcester, Worcestershire County Council, Worcester City Council, and a number of individuals donating through our website to Severn Arts Music Awards Scheme. Our total income raised through donations and legacies was almost £2m. We also supported other cultural organisations through mentoring and support, helping them to lever in additional funds.

The Music Box bus has established a following and we have expanded our reach, through an agreed social value contract with Worcestershire County Council, offset against our initial loan which has meant the bus is more visible in a range of settings, raising the profile of Severn Arts and providing access to a range of music technology. Our legacy donation in memory of a young musician, Olly Irwin comprising of a bursary to support young talent, will be supported by Gloucester Music Works in 2025. We have also secured another legacy in memory of Stuart Silcock which will go towards extending the number of disadvantaged students accessing our Connect programme in 2024/25 and beyond (funded through Young Sounds, formerly Furthering Talent).

In a continually challenging funding climate for the cultural sector, we continue to be proactive, identifying opportunity when it arises and keeping on trend with the national and regional political landscapes. Severn Arts remains a resilient, well-run organisation with committed staff and Trustees working to our end goal to improve the lives of children and young people through creative endeavour.

#### Worcestershire Music Education Hub - WMEH (now Herefordshire & Worcestershire Music Hub)

Severn Arts has been successful in obtaining the Hub Lead Organisation role for both Herefordshire and Worcestershire this year and we have a commissioned partner Encore Enterprises who will deliver in Herefordshire on our behalf from September 2024. We have a joint Oversight Panel which is chaired independently by a member of staff at the University of Worcester.

In 2023-24:

- 226 schools (2022-23: 219) engaged with the WMEH
- 97 schools (2022-23: 99) received whole class teaching
- 6,659 pupils (2022-23: 6,672) received tuition through whole class tuition
- 195 schools (2022-23: 194) were supported through CPD/visits

Severn Arts delivered a full concert programme involving all the orchestras and bands which rehearse weekly across the county. Concerts took place in Worcester, Malvern, Evesham, Kidderminster, Droitwich, Upton-on-Severn and Bromsgrove culminating in a showcase Festival of Music in the summer, taking place in a variety of venues and spaces in Worcester City. The festivals included all of our groups and players and also an art exhibition and poetry from the Young Poet Laureate event. All were presented and curated with young people at the heart, supporting our commitment to giving young people a voice.

In June 2024, the Big Sing took place at Worcester University Arena with 2,200 pupils taking part from across Worcestershire. A new addition to the offer was the introduction of Early Years Festivals which took place in 6 venues across Worcestershire with over 1,000 pupils participating. Other workshops were delivered by Orchestra Pro Anima, Atea and Toscana Strings.

Our partnership with MAC Makes Music continues to offer strategic support and information to Severn Arts in relation to young people accessing music and overcoming barriers. The Soundabout Choir meets monthly and performed at the Severn Arts Festival of Music and the Worcester Competitive Music Festivals as well as participating in joint videos with the Soundabout choir family. Severn Arts continues to work in partnership with Malvern Cube to deliver their band development project funded by Youth Music. Severn Arts is working in partnership with Young Sounds UK (formerly Awards for Young Musicians) to deliver the Connect programme and is one of 10 ambassadors music hubs across the country. The programme has been extended and will run until March 2028. The participants will now benefit from an enhanced offer due to Young Sounds UK managing the Music Progression Fund, supported by the DfE. In January 2021 30 young people started their musical journey through this programme which is aimed at those exhibiting early potential but for whom financial barriers mean that they would not be able to continue their musical journey without access to this programme. During 2023-2024, the young people on the programme took part in a variety of Get Together events including a trip to Birmingham to see the CBSO performing a Star Wars concert, a steel pans workshop, a digital music session on the Severn Arts Music Box and a trip to a professional recording studio. Severn Arts also supports young people facing financial barriers through the Music Awards scheme.

## **Severn Arts**

### **Report of the Trustees for the Period 1st April 2023 to 31st August 2024**

Severn Arts continues to offer free access to Charanga that provides online music teaching resources to First, Primary, Middle and Special schools. In addition, we offer free access to Music First for secondary schools and a subsidised Sparkyard subscription for all schools. Severn Arts also has significant partnerships with the National Youth Orchestra's Inspire programme, University of Worcester, Malvern Concert Club, Orchestra Pro Anima, Worcester Symphony Orchestra, and the English String Orchestra which has resulted in school concerts and workshops.

The Music Box (bus) is out on the road delivering music technology workshops at schools and events across the county and delivered over 30 workshops and impacted on over 600 young people during the 2023-24 academic year.

Severn Arts has been involved in several careers' fairs and open evenings in schools across the county and has offered five work experience placements to pupils from Worcestershire high schools in the 2023-24 academic year. Schools are supported to deliver the National Curriculum for Music through a year-long Continuous Development programme.

The CPD programme for all staff and schools delivered sessions on Inclusion with John Kelly as part of the Youth Music funded IDEA programme, LGBTQ+ Awareness training, music technology, music curriculum planning (including the Model Music Curriculum), School Music Development Plans, Big Sing and Charanga. Networking meetings for Primary Music Leads were introduced and have been well received.

#### **Arts Development**

The arts programme delivered on behalf of Worcestershire County Council is now managed by Public Health and aligns with the four main aims of the Council - children and young people, business support, health and wellbeing and the environment.

This year the programme delivered a range of projects for young people and the wider community to take part in, as well as working in areas of need as identified by Public Health.

We appointed a new Young Poet Laureate who took up the role in April 2024 and will be in place until March 2025.

We continue to be commissioned by Sutton Croft to provide artists as part of the Holiday, Activity and Food (HAF) Programme in the County, delivering workshops to nearly 2,500 children and young people in the 2023-24 academic year.

Our annual Young Voices New Visions exhibition at Worcester Cathedral took place, attracting over 50 schools.

We are a partner in Reimagine Redditch, an Arts Council funded initiative to engage more people in the arts who do not traditionally participate in culture. We secured a further grant of £68,942 to work in one of the most deprived areas of Redditch, to enable an artist in residence to work with the local community to cocreate new artworks.

In partnership with Malvern Hills District Council we have offered a range of training opportunities for the local creative sector, awarded grants to the community and voluntary sector as well as establish Line Up, a new festival of experimental music in Malvern.

#### **The Arches Worcester Festivals - Cultural Development Fund programme**

This is a time limited project funded by the Department for Culture Media and Sport (DCMS) and administered by Arts Council England, of which the revenue project finished in March 2023. Severn Arts continues to project manage the programme until the capital works are complete, expected to be December 2025.

We continued to work with Community Festivals creating a bespoke programme aimed at raising ambition, broadening reach and creating a long-term legacy. Worcester Mela and Worcester Carnival were both successful in securing funding enabling new and diverse programmes of work. Worcester Carnival extended its work on environmentally friendly entries to the event and Worcester Mela started an 18 month project which explored the stories of migrant communities and the impact they had on Worcester's industrial heritage.

#### **FINANCIAL REVIEW**

##### **Financial results for the year**

We have seen continuing growth in music tuition and workshop requests over the past year. The number of hours of tuition delivered in the 2023-24 academic year was 6% higher than the previous year and this has resulted in higher income. Comparisons with previous years are more tricky due to the one-off extended period this report covers, so comparisons have instead been done between the most recent (2023-24) academic year and the prior (2022-23) academic year. Tuition and music education workshop income increased from £807k to £944k (16.9%). We continue to see strong demand from schools for engagement in whole class for the coming financial year, but the growth has tailed off.

**Severn Arts**  
**Report of the Trustees**  
**for the Period 1st April 2023 to 31st August 2024**

The Company continues to receive substantial grant income which has remained the same since last year. The Department for Education (DfE) Arts Council England grant covered costs arising from the Worcestershire Music Education Hub and was almost unchanged at £738,425 (2022-23: 740,850). Funding for the Music Hub in 2024-25 is significantly higher but this is only because it covers Herefordshire as well - the allocation for Herefordshire will be passed to Encore who are delivering in this area.

Grant income was received from Malvern Hills District Council for the programme in Malvern Hills District, Worcestershire County Council for the arts programme and one off grants such as Light Night 2024 from Arts Council England. The contract with MHDC has been extended a further year until March 2026 and the contract with WCC has been extended for a further year until September 2026.

Donations and grants over the 17 month period brought in nearly £2.0m (2023: £1.4m).

For the full financial year, the Company's excess Income over Expenditure before transfers of funds was £95,064 (2023: deficit of £135,031) on Unrestricted activities. Restricted activities show a surplus before transfers between funds of £237,279 (2023: deficit of £66,451). The combined surplus for the year was £332,343 (2023 deficit £201,482).

Net Assets of the Company stood at £1,302,036 (2023 £969,693).

**Reserves policy**

The current funds position of the Charity is set out in note 21 to these accounts.

At the year end the Charity had accumulated balances of £1,302,036 (2023 - £969,693). However not all these balances are held in cash or cash equivalents.

At the year-end, free reserves (unrestricted funds less fixed assets) amounted to £810,388 (2023: £668,101) and includes the £300,000 (2023: £300,000) designated fund noted below.

In order to ensure financial stability and that the Charity can continue to meet its charitable objectives, the Trustees have agreed that a designated cash reserve of £300,000 should be held. This represents 3.1 months (2023 - 3.1 months) of unrestricted fund expenditure. The policy assumes that the Charity is a going concern and that there is no foreseeable likelihood of it ceasing to operate. If the Charity did cease to operate, then it could liquidate its non-cash assets to meet any winding up costs.

**Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

In deciding on this level of reserves, the Trustees have considered the financial risks that the Charity faces, the certainty of income and the impact on users should the Charity be unable to provide its services.

The major financial risk faced is the withdrawal of grant support from DfE Arts Council England music education grant. Whilst this would have a significant impact, the Trustees expect that there would be forewarning of this which would enable them to plan appropriately. The way that DfE distributes funds as part of the music education grant changed with effect from September 2024 and Severn Arts is now the Hub Lead Organisation for Herefordshire and Worcestershire. In the first year, we expect the delivery of music hub services in Herefordshire to continue to be done by Encore and Severn Arts will pass on the relevant element of the hub grant relating to Herefordshire to Encore. The Trustees have assessed other significant financial risks and have taken action to ensure the Company is able to respond to fluctuations in income and demand for services such that it is able to successfully deal with any immediate challenges presented.

The Trustees review the reserves policy on a regular basis with reference to trading history and by comparison with forecast projections.

## **Severn Arts**

### **Report of the Trustees for the Period 1st April 2023 to 31st August 2024**

#### **PLANS FOR FUTURE PERIODS**

Severn Arts plans to continue to explore options to diversify business over the next few years and to explore alternative sources of income and offer to expand its reach, to cover some adult work and target disadvantaged groups throughout the county. We are at the end of our 3-year Business Plan and have a clear new strategic direction that aims to mature our offer, seek out appropriate funds that support growth in our areas of established expertise and embed creative projects within our communities. We are committed to a legacy programme to support grass-roots and community support for local festivals and our arts development work is developing through partnerships with our local district authorities, Worcestershire County Council, Public Health and the University of Worcester. Severn Arts is committed to sustaining and supporting its own workforce and to providing opportunities for career progression within the organisation, starting with apprenticeships and internships and creating sustainable roles for the future development of the music and arts education sector. We plan to work with partners to offer more opportunities and ensure Severn Arts shows evidence and impact of its' work to be an inclusive company.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Company is constituted under a Memorandum and Articles of Association dated 18 October 2017 (as amended on 19 March 2019).

##### **Methods of appointment or election of trustees**

The management of the Company is the responsibility of the Trustees who are appointed and co-opted under the terms of the Articles of Association.

All trustees have received training through annual board away days which concentrate upon the role of the board, policy and strategic direction and the evaluation and monitoring of the business plan. The trustees are invited to participate in continuous professional development programmes and are subject to a disclosure and Barring Service review. They adhere to equal opportunity recruitment policies. Three new Trustees were elected last year and three Trustees resigned, but the establishment of a staff Trustee and Youth Voice representation is in development. A group of Trustees are preparing a succession plan and we aim to recruit 4 new Trustees this year. We have an established Finance Committee and a Music Hub Oversight Panel with three of our trustees as designated members following our successful Bid to be HLO.

##### **Key management**

Day to day management of the charity is delegated to the senior management team listed on the Reference and Administrative Details page.

##### **Public benefit**

The Trustees confirm that they have complied with the duty in Section 4, Charities Act 2011, to have due regard to the guidance issued by the Charity Commission concerning public benefit.

#### **FUNDRAISING**

Our approach to fundraising is to connect with our supporters, both individuals and companies to raise voluntary funds to support our aims and activities. No commercial participators have been used to raise funds, and very few fundraising events have been held to date. We ensure that our fundraising is not overly intrusive or persistent, and does not put members of the public under undue pressure to donate.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Severn Arts for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.



**Severn Arts**

**Report of the Trustees  
for the Period 1st April 2023 to 31st August 2024**

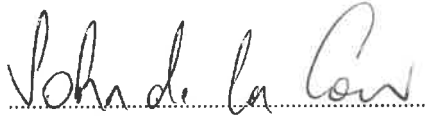
**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 21<sup>st</sup> March 2025 and signed on its behalf by:

  
.....

J de la Cour - Trustee

## **Report of the Independent Auditors to the Members of Severn Arts**

### **Opinion**

We have audited the financial statements of Severn Arts (the 'charitable company') for the period ended 31st August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 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.

### **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 Report of the Independent Auditors 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 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.

### **Opinions 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

## **Report of the Independent Auditors to the Members of Severn Arts**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

### **Our 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 a Report of the Independent Auditors 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:

- Obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks and irregularities, including known actual, suspected or alleged instances of fraud; and
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 (and related legislation), the Charities Act 2011 (and related legislation)), and laws and regulations relating to the employment and payment of staff including, but not limited to, the Employment Rights Act 1996, the National Minimum Wage Act 1998 and the Pensions Act 2008.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures. This includes sample testing of monthly payroll records for the calculation of gross wages, payroll taxes and pension costs.

We identified the areas of the financial statements most susceptible to fraud to be management's judgement in allocating expenditure to individual restricted and unrestricted funds, including the allocation of wage costs and general staff overheads. Audit procedures performed included, but were not limited to, reviewing managements reasoning and workings behind these allocations of expenditure.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
Severn Arts**

**Use of our report**

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



Melissa Jean Godwin ACA ACCA (Senior Statutory Auditor)  
for and on behalf of Richards Sandy Audit Services Limited  
(Statutory Auditor)  
Thorneloe House  
25 Barbourne Road  
Worcester  
WR1 1RU

Date: .....25.03.25.....

**Severn Arts**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Period 1st April 2023 to 31st August 2024**

		Unrestricted funds	Restricted funds	Period 1.4.23 to 31.8.24 Total funds	Year Ended 31.3.23 Total funds as restated £
	Notes	£	£	£	
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	286,210	1,700,096	1,986,306	1,411,657
<b>Charitable activities</b>	6				
Music education		1,383,575	-	1,383,575	848,539
Arts development		58,631	-	58,631	45,780
Festivals		1,650	7,300	8,950	-
Investment income	5	20,465	-	20,465	1,518
<b>Total</b>		<b>1,750,531</b>	<b>1,707,396</b>	<b>3,457,927</b>	<b>2,307,494</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	7				
Music education		1,477,054	1,249,448	2,726,502	1,911,942
Arts development		195,101	23,300	218,401	176,964
Festivals		(16,688)	197,369	180,681	420,070
Other		-	-	-	-
<b>Total</b>		<b>1,655,467</b>	<b>1,470,117</b>	<b>3,125,584</b>	<b>2,508,976</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>95,064</b>	<b>237,279</b>	<b>332,343</b>	<b>(201,482)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		922,188	47,505	969,693	1,171,175
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,017,252</b>	<b>284,784</b>	<b>1,302,036</b>	<b>969,693</b>

The notes form part of these financial statements

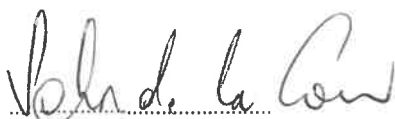
**Severn Arts**

**Balance Sheet  
31st August 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds as restated £
<b>FIXED ASSETS</b>					
Tangible assets	16	206,864	1,320	208,184	257,277
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	17	355,926	138,351	494,277	377,983
Cash at bank and in hand		<u>628,474</u>	<u>385,435</u>	<u>1,013,909</u>	<u>884,243</u>
		984,400	523,786	1,508,186	1,262,226
<b>CREDITORS</b>					
Amounts falling due within one year	18	(174,012)	(74,609)	(248,621)	(328,859)
<b>NET CURRENT ASSETS</b>		<u>810,388</u>	<u>449,177</u>	<u>1,259,565</u>	<u>933,367</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,017,252	450,497	1,467,749	1,190,644
<b>CREDITORS</b>					
Amounts falling due after more than one year	19	-	(165,713)	(165,713)	(220,951)
<b>NET ASSETS</b>		<u>1,017,252</u>	<u>284,784</u>	<u>1,302,036</u>	<u>969,693</u>
<b>FUNDS</b>	21				
Unrestricted funds				1,017,252	922,188
Restricted funds				<u>284,784</u>	<u>47,505</u>
<b>TOTAL FUNDS</b>				<u>1,302,036</u>	<u>969,693</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21st March 2025 and were signed on its behalf by:

  
J de la Cour - Trustee

The notes form part of these financial statements

**Severn Arts**

**Cash Flow Statement  
for the Period 1st April 2023 to 31st August 2024**

	Notes	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>111,027</u>	<u>(90,919)</u>
Net cash provided by/(used in) operating activities		<u>111,027</u>	<u>(90,919)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(1,929)</u>	<u>(9,299)</u>
Sale of tangible fixed assets		<u>103</u>	<u>3,029</u>
Interest received		<u>20,465</u>	<u>1,518</u>
Net cash provided by/(used in) investing activities		<u>18,639</u>	<u>(4,752)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>129,666</u>	<u>(95,671)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>884,243</u>	<u>979,914</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>1,013,909</u>	<u>884,243</u>

The notes form part of these financial statements

**Severn Arts**

**Notes to the Cash Flow Statement  
for the Period 1st April 2023 to 31st August 2024**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Period 1.4.23 to 31.8.24 £	Year Ended 31.3.23 as restated £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	<b>332,343</b>	<b>(201,482)</b>
<b>Adjustments for:</b>		
Depreciation charges	50,609	215,520
Loss/(profit) on disposal of fixed assets	310	(2,023)
Interest received	(20,465)	(1,518)
Increase in debtors	(116,294)	(79,909)
Decrease in creditors	(135,476)	(21,507)
<b>Net cash provided by/(used in) operations</b>	<b><u>111,027</u></b>	<b><u>(90,919)</u></b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.23 £	Cash flow £	At 31.8.24 £
<b>Net cash</b>			
Cash at bank and in hand	<u>884,243</u>	<u>129,666</u>	<u>1,013,909</u>
	<u>884,243</u>	<u>129,666</u>	<u>1,013,909</u>
<b>Total</b>	<b><u>884,243</u></b>	<b><u>129,666</u></b>	<b><u>1,013,909</u></b>

**3. MAJOR NON-CASH TRANSACTIONS**

During the comparative period Worcestershire County Council agreed to convert the remaining unpaid balance of loans due to them from the charity totalling £276,189 into a legal agreement that the charity will provide equivalent support to the priorities of Worcestershire County Council. This loan has been accounted for as deferred income totalling £220,572 (2023 - £276,189).

The notes form part of these financial statements



## **Severn Arts**

### **Notes to the Financial Statements for the Period 1st April 2023 to 31st August 2024**

#### **1. GENERAL INFORMATION**

Severn Arts is a private company, limited by guarantee, incorporated in the UK and registered in England and Wales.

The principal activity of Severn Arts is set out in the Trustees Report.

The registered office and principal operating office of Severn Arts is Suite 11, Malvern Gate, Bromwich Road, Worcester, WR2 4BN.

#### **2. ACCOUNTING POLICIES**

##### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006, except in regard to the treatment of the LGPS as if it was a defined contribution pension scheme rather than if it was a defined benefit pension scheme, which is a departure from the requirement of FRS 102, on the basis that accounting for the LGPS as a defined benefit pension scheme is inconsistent with the requirements to give a true and fair view (see the accounting policy for pension costs for more details).

The financial statements have been prepared under the historical cost convention.

The accounts are presented in GBP and are rounded to the nearest £1.

##### **CHANGES IN FINANCIAL PERIOD END**

The charity has changed its financial year end from 31 March to 31 August, so that its financial year end now aligns with the academic year, as the majority of the charity's customers are schools.

Following this change in financial year end date, these financial statements have been prepared for a period of 17 months.

The comparative amounts presented in the financial statements, which relate to the 12 month period ending 31 March 2023, are not entirely comparable.

##### **INCOME**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donation and grant income is recognised when the charity has been notified of the amounts. If there are performance conditions attached to the donation before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charitable company and it is probable that they will be fulfilled.

Income from the supply of services (including income from charitable activities) represents the value of services provided to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

Interest income is recognised for all interest-bearing financial instruments using the effective interest rate method.

##### **EXPENDITURE**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources as detailed below.

Charitable activity costs are those costs that relate directly to specific activities within the organisation.

## Severn Arts

### Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

#### 2. ACCOUNTING POLICIES - continued

Supports costs include the running costs of the charity and have been attributed to direct costs of charitable activities as follows:

- Support costs that can be directly attributed to a particular activity have been categorised as such in the financial statements.
- Any residual costs have been allocated between activities in line with the value of support costs agreed in advance by funders, multiplied by the percentage of total support costs in each heading.

#### TANGIBLE FIXED ASSETS

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 asset into its intended working condition should be included in the measurement of cost.

A review for impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets costing £500 or more are capitalised.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- Motor vehicles - 5 years straight line
- Fixtures & fittings - 10 years straight line
- Office equipment - 5 years straight line
- Computer equipment - 5 years straight line
- Instruments:
  - Low value/ low life expectancy: Over 4 years. This applies to instruments such as recorders, fifes, doods, ukuleles and other similar low value items.
  - Brass: Instruments have a longer life in schools. Assuming 50% at 10 years down to 20% at 20 years.
  - Woodwind: Instruments have a longer life in schools. Assuming 50% at 10 years down to 20% at 20 years.
  - Upper strings: Instruments have a longer life in schools, however are of much lower initial value than brass/ woodwind which makes them less saleable over time. Assume 30% at year 10 and 0% at years.
  - Lower Strings: Instruments have a longer life in schools. Assuming 50% at 10 years, down to 20% at 20 years.
  - Tuned Percussion: Includes some higher value instruments which are not hired out and so wear and tear is less (tend to be used centrally). E.g. Timpani, Marimba, Xylophone, Vibraphone, Keyboard instruments. Assumed slower depreciation - 60% of original value at year 10 and 30% at year 20.
  - Untuned Percussion: Includes lower cost instruments such as cymbals, drums, djembes. Usually higher wear and tear for small percussion. Some, such as djembe are hired to schools in sets and are often not repairable. Assumed 20% value at year 10.
  - High Value: Includes instruments rarely hired out, used centrally only or if exceptional value (eg. Harp, Contrabassoon etc). Instruments are kept in excellent serviced condition and still retain considerable value after 20 years (assumed 50%).
  - Miscellaneous: This assumed straight line depreciation to 10% after 10 years and covers non standard items eg Drum Kit, Early Years percussion, Samba, Folk.

#### TAXATION

The charity is exempt from corporation tax on its charitable activities.

#### FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

## Severn Arts

### Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

#### 2. ACCOUNTING POLICIES - continued

##### FINANCIAL INSTRUMENTS

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

Financial instruments are recognised when the company becomes party to contractual provisions of the instrument.

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

##### Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

##### OPERATING LEASES

Rents payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

##### PENSION COSTS

Retirement benefits to employees of the charity are provided by either the Teachers' Pension Scheme ('TPS'), the Local Government Pension Scheme ('LGPS'), or a private defined contribution scheme.

The TPS is an unfunded defined benefit scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer defined benefit scheme and the assets are held separately from those of the charity in separate trustee administered funds. Whilst it would be possible to obtain an actuarial valuation of the charity's share of the LGPS to which the charity belongs, the trustees of the charity believe that to account for the LGPS as a defined benefit pension scheme, rather than as a defined contribution scheme, would be inconsistent with the requirement to give a true and fair view. This is because the trustees do not consider their annual contributions relating to settling their share of the LGPS's current forecast deficit to be material to the accounts of the charity (based on the information provided within the most recent triennial actuarial valuation of the relevant LGPS) and also due to the very low number of members of the LGPS allocated to the charity compared to the overall number of members of the relevant LGPS, it is considered probable that the actuarial valuation of the charity's share of the deficit would be disproportionately effected by any significant uncertainty in assumptions or errors compared to other scheme employers. In addition, the minority of employees of the charity that belong to the relevant LGPS include one of the three members of the senior management team and accounting for the LGPS as a defined benefit scheme would likely cause adjustments to disclosures concerning the remuneration paid to key management personnel in such a way that is not likely to be accurately determined on an individual employee basis and would likely be less comparable year on year due to changes in actuarial assumptions applied each year to the valuation of the relevant LGPS. The trustees therefore believe that accounting for their payments to the LGPS as a defined contribution scheme better reflects the actual financial impact to the charity.

## Severn Arts

### Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

#### 2. ACCOUNTING POLICIES - continued

Where the charity has entered into an agreement with the relevant LGPS that determines how the charity will fund a deficit, the charity recognises at that point a liability for the contributions payable that arises from the agreement (to the extent that they both relate to the deficit and can be reliably measured) and the resulting expense is recognised within the Statement of Financial Activities.

#### PENSION COSTS

Contributions payable to the defined contribution pension scheme are charged to profit or loss in the period to which they relate.

#### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

##### Critical areas of judgements

Judgement is applied in setting the depreciation rates for tangible fixed assets. Details to these rates can be found in the accounting policies in note 2. The carrying value of tangible fixed assets can be found in note 15.

Support costs have been allocated between unrestricted and restricted funds and between the activities where they have been identified as directly attributable costs. Any residual costs have been allocated between activities in line with the value of support costs agreed in advance by funders, multiplied by the percentage of total support costs in each heading.

#### 4. DONATIONS AND LEGACIES

			Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Donations	11,670	4,098	15,768	7,127
Grants	249,961	1,695,998	1,945,959	1,387,257
Orchestra tax relief	24,579	-	24,579	17,273
	286,210	1,700,096	1,986,306	1,411,657

The grant award from Paul Hamlyn Foundation is to fund a project that is expected to be delivered between September 2024 and July 2026.

Grants received, included in the above, are as follows:

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	£	£
Arts Council England	1,241,644	797,092
Awards for Young Musicians	33,196	29,571
Elmley Foundation	10,000	-
Heart of England Community Foundation	68,942	-
Malvern Hills District Council	97,747	7,015
The National Foundation for Youth Music	-	8,548
Paul Hamlyn Foundation	165,000	-
UK Association for Music Education	-	7,400
Worcester City Council	60,582	421,011
Worcestershire County Council	242,023	112,562
University Of Worcester	7,000	-
Sundry small local council grants (less than £5,000 each)	6,900	-
Sundry small charitable trust grants (less than £5,000 each)	12,925	4,058
	<u>1,945,959</u>	<u>1,387,257</u>

**Severn Arts**

**Notes to the Financial Statements - continued  
for the Period 1st April 2023 to 31st August 2024**

**5. INVESTMENT INCOME**

			Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Bank interest	<u>20,465</u>	<u>-</u>	<u>20,465</u>	<u>1,518</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

				Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	Music education £	Arts development £	Festivals £	Total activities £	Total activities £
Holiday Activities and Food (HAF) Programme	-	58,631	-	58,631	29,230
CPD income	1,405	-	-	1,405	1,740
Event income	15,115	-	-	15,115	5,253
Project income	27,620	-	7,300	34,920	16,550
Resources	58,182	-	-	58,182	31,693
Tuition	1,244,369	-	-	1,244,369	793,793
Subscriptions	12,740	-	-	12,740	9,774
Concerts	4,465	-	-	4,465	3,886
Miscellaneous income	<u>19,679</u>	<u>-</u>	<u>1,650</u>	<u>21,329</u>	<u>2,400</u>
	<u>1,383,575</u>	<u>58,631</u>	<u>8,950</u>	<u>1,451,156</u>	<u>894,319</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Music education	2,298,804	427,698	2,726,502
Arts development	218,401	-	218,401
Festivals	<u>180,261</u>	<u>420</u>	<u>180,681</u>
	<u>2,697,466</u>	<u>428,118</u>	<u>3,125,584</u>

# Severn Arts

## Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

### 8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	£	£
Staff costs	2,137,974	1,455,415
Instrument consumables	4,032	1,242
Workshop expenditure	513	408
External funding and bursary	1,511	503
Project costs	529,241	507,490
Subcontracted staff costs	24,195	14,849
	<u>2,697,466</u>	<u>1,979,907</u>

### 9. SUPPORT COSTS

Support costs, included in the above, are as follows:

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	Total activities £	Total activities £
Rates and water	(6,451)	3,226
Insurance	22,735	13,189
Light and heat	16,278	9,783
Telephone	10,413	6,901
Advertising	25,007	16,808
Sundries	1,301	3,260
Service charges	23,391	15,869
Rent	54,400	37,662
Travel expenses	97,729	76,765
IT expenses	36,800	35,287
Legal and professional	11,301	10,462
Accountancy and payroll	17,023	15,780
Conference costs	2,737	1,311
Subscriptions	4,253	2,918
Board costs	2,704	1,820
Premises costs	12,674	14,452
CPD costs	8,831	4,399
Venue hire	5,398	19,516
Safeguarding costs	2,774	2,738
Consultancy fees	15,138	15,038
Postage and stationary	2,048	676
Depreciation	50,609	215,520
Profit on sale of tangible fixed assets	310	(2,023)
Bank charges	5,215	1,852
Auditors' remuneration	5,500	5,860
	<u>428,118</u>	<u>529,069</u>

**Severn Arts**

**Notes to the Financial Statements - continued  
for the Period 1st April 2023 to 31st August 2024**

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	£	£
Depreciation - owned assets	50,609	215,520
(Deficit)/surplus on disposal of fixed assets	310	(2,023)
Rent paid under operating leases	<u>54,400</u>	<u>37,662</u>

**11. AUDITORS' REMUNERATION**

	2024	2023
	£	£
Audit remuneration	5,500	5,860
Other assurance services	3,780	1,920
Other services	<u>3,818</u>	<u>7,770</u>
	<u>13,098</u>	<u>15,550</u>

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the period ended 31st August 2024 nor for the year ended 31st March 2023.

**TRUSTEES' EXPENSES**

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

**13. STAFF COSTS**

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	£	£
Wages and salaries	1,715,389	1,174,734
Social security costs	120,882	88,279
Other pension costs	<u>301,703</u>	<u>192,402</u>
	<u>2,137,974</u>	<u>1,455,415</u>

The average monthly number of employees during the period was as follows:

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
	76	87
Average number of employees	<u>76</u>	<u>87</u>

**Severn Arts**

**Notes to the Financial Statements - continued  
for the Period 1st April 2023 to 31st August 2024**

**13. STAFF COSTS - continued**

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

	Period 1.4.23 to 31.8.24	Year Ended 31.3.23 as restated
£60,001 pa - £70,000 pa	<u>1</u>	<u>1</u>

**Key management personnel remunerations**

During the 17 month period total remuneration, including employer pension and national insurance costs, paid to key management personnel totalled £406,762 for an average of 5 employees (2023: 269,962 for 5 employees).

**14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	140,430	1,271,227	1,411,657
<b>Charitable activities</b>			
Music education	848,539	-	848,539
Arts development	38,780	7,000	45,780
Investment income	<u>1,518</u>	<u>-</u>	<u>1,518</u>
<b>Total</b>	<u>1,029,267</u>	<u>1,278,227</u>	<u>2,307,494</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Music education	1,061,382	850,560	1,911,942
Arts development	159,158	17,806	176,964
Festivals	-	420,070	420,070
Other	<u>(56,242)</u>	<u>56,242</u>	<u>-</u>
<b>Total</b>	<u>1,164,298</u>	<u>1,344,678</u>	<u>2,508,976</u>
<b>NET INCOME/(EXPENDITURE)</b>	(135,031)	(66,451)	(201,482)
Transfers between funds	<u>(3,305)</u>	<u>3,305</u>	<u>-</u>
<b>Net movement in funds</b>	(138,336)	(63,146)	(201,482)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>1,060,525</u>	<u>110,650</u>	<u>1,171,175</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>922,189</u>	<u>47,504</u>	<u>969,693</u>



## Severn Arts

### Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

#### 15. PRIOR YEAR ADJUSTMENT

Last year Worcestershire County Council informed the charity in writing that they had made the decision that a loan due by the charity to Worcestershire County Council would be waived. Worcestershire County Council has now provided the final written agreement for this loan waiver. The details of this final written agreement includes a number of clauses detailing how the funds were to be spent that were unanticipated last year. The comparatives have been amended to defer the recognition of the loan waiver totalling £276,189 over a 5 year period, with £55,238 recognised as restricted income in the current year and £220,951 recognised as deferred income within year end creditors.

The comparatives have also been amended to treat an Arts Council England grant of £56,242 previously accounted for as unrestricted income now treated as fully spent restricted income.

The comparatives have also been adjusted to treat income totalling £29,230 relating to Holiday Activities and Food (HAF) Programme as unrestricted trading income, rather than as restricted fund income. The previous year's accounts shows unspent restricted fund income of £6,755 (£6,070) at the year end.

#### 16. TANGIBLE FIXED ASSETS

	Instruments £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1st April 2023	508,429	77,422	10,100	44,402	640,353
Additions	-	2	-	1,927	1,929
Disposals	(4,826)	-	-	-	(4,826)
At 31st August 2024	<u>503,603</u>	<u>77,424</u>	<u>10,100</u>	<u>46,329</u>	<u>637,456</u>
<b>DEPRECIATION</b>					
At 1st April 2023	306,596	37,281	6,560	32,639	383,076
Charge for year	28,470	10,969	2,220	8,950	50,609
Eliminated on disposal	(4,413)	-	-	-	(4,413)
At 31st August 2024	<u>330,653</u>	<u>48,250</u>	<u>8,780</u>	<u>41,589</u>	<u>429,272</u>
<b>NET BOOK VALUE</b>					
At 31st August 2024	<u>172,950</u>	<u>29,174</u>	<u>1,320</u>	<u>4,740</u>	<u>208,184</u>
At 31st March 2023	<u>201,833</u>	<u>40,141</u>	<u>3,540</u>	<u>11,763</u>	<u>257,277</u>

#### 17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 as restated £
Trade debtors	297,682	287,174
Other debtors	1,802	150
Prepayments and accrued income	<u>194,793</u>	<u>90,659</u>
	<u>494,277</u>	<u>377,983</u>

**Severn Arts**

**Notes to the Financial Statements - continued  
for the Period 1st April 2023 to 31st August 2024**

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023 as restated
	£	£
Trade creditors	43,014	24,528
Social security and other taxes	22,464	18,262
Other creditors	31,952	24,086
Accruals	9,000	128,462
Deferred income	<u>142,191</u>	<u>133,521</u>
	<u><b>248,621</b></u>	<u><b>328,859</b></u>

**Deferred income**

Deferred income costs of:

	2024	2023
	£	£
Worcestershire County Council social value project	220,951	276,189
Music tuition and related service fees relating to future periods	85,703	49,901
Commercial project income relating to future projects	-	8,597
Service contract grant income allocated to future periods	<u>1,250</u>	<u>19,785</u>
	<u><b>307,904</b></u>	<u><b>354,472</b></u>

Split between:

Amounts due within one year	142,191	133,521
Amounts due after more than one year	<u>165,713</u>	<u>220,951</u>
	<u><b>307,904</b></u>	<u><b>354,472</b></u>

Worcestershire County Council social value project is a 5 year grant received in advance (following the waiving of a loan due from Worcestershire County Council). Grant income relating to future year allocations have been deferred on the basis that the charity is unable to apply current year expenditure against future year allocations.

All other deferred income as at 31 March 2023 was released to income within the current financial period.

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2024	2023 as restated
	£	£
Deferred income	<u><b>165,713</b></u>	<u><b>220,951</b></u>

Details of deferred income can be found in note 18.

**20. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023 as restated
	£	£
Within one year	38,400	38,400
Between one and five years	<u>19,200</u>	<u>73,600</u>
	<u><b>57,600</b></u>	<u><b>112,000</b></u>

Severn Arts

Notes to the Financial Statements - continued  
for the Period 1st April 2023 to 31st August 2024

21. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.8.24 £
<b>Unrestricted funds</b>			
General fund	569,935	80,897	650,832
Designated Funds	300,000	-	300,000
Arts	<u>52,253</u>	<u>14,167</u>	<u>66,420</u>
	922,188	95,064	1,017,252
<b>Restricted funds</b>			
Cultural Development Fund	7,225	(7,225)	-
Bursary Fund	16,514	549	17,063
COMF Enhanced Youth Support	-	5,665	5,665
Cultural Educational Programme	7,220	(7,220)	-
Furthering Talent	13,146	(12,990)	156
Love Woodrow project	-	52,862	52,862
Music Box Fund	3,190	(1,869)	1,321
Paul Hamlyn Foundation	-	162,300	162,300
Worcestershire County Council social value project	-	45,417	45,417
Sundry Restricted Donations	<u>210</u>	<u>(210)</u>	<u>-</u>
	47,505	237,279	284,784
<b>TOTAL FUNDS</b>	<u>969,693</u>	<u>332,343</u>	<u>1,302,036</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,484,891	(1,403,994)	80,897
Arts	<u>265,640</u>	<u>(251,473)</u>	<u>14,167</u>
	1,750,531	(1,655,467)	95,064
<b>Restricted funds</b>			
Music Education Grant	1,046,102	(1,046,102)	-
Cultural Development Fund	17,956	(25,181)	(7,225)
Arts Activity	42,206	(42,206)	-
Arts Council England Pension Fund	96,181	(96,181)	-
Bursary Fund	2,549	(2,000)	549
COMF Enhanced Youth Support	5,665	-	5,665
Cultural Educational Programme	-	(7,220)	(7,220)
Festival Fund	172,188	(172,188)	-
Furthering Talent	33,945	(46,935)	(12,990)
Love Woodrow project	68,942	(16,080)	52,862
Music Box Fund	1,424	(3,293)	(1,869)
Paul Hamlyn Foundation	165,000	(2,700)	162,300
Worcestershire County Council social value project	55,238	(9,821)	45,417
Sundry Restricted Donations	<u>-</u>	<u>(210)</u>	<u>(210)</u>
	1,707,396	(1,470,117)	237,279
<b>TOTAL FUNDS</b>	<u>3,457,927</u>	<u>(3,125,584)</u>	<u>332,343</u>

**Severn Arts**

**Notes to the Financial Statements - continued  
for the Period 1st April 2023 to 31st August 2024**

**21. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
<b>Unrestricted funds</b>				
General fund	296,317	(146,865)	420,483	569,935
Designated Funds	300,000	-	-	300,000
Assets transferred from Worcestershire County Council	423,788	-	(423,788)	-
Arts	<u>40,420</u>	<u>11,833</u>	<u>-</u>	<u>52,253</u>
	1,060,525	(135,032)	(3,305)	922,188
<b>Restricted funds</b>				
Cultural Development Fund	7,225	-	-	7,225
BBC Children In Need	19	(19)	-	-
Bursary Fund	11,831	4,683	-	16,514
Changing Tracks Nurture Group	1,500	(1,500)	-	-
The Children's Society	892	(892)	-	-
COMF Enhanced Youth Support	1,019	(1,019)	-	-
Cultural Educational Programme	6,270	950	-	7,220
Furthering Talent	23,053	(9,907)	-	13,146
Inspiring Future Through The Arts	1,604	(1,604)	-	-
Jubilee Funding	6,947	(6,947)	-	-
Kickstart	808	(1,260)	452	-
Music Box Fund	13,974	(13,137)	2,353	3,190
Music Mark Innovation Fund	10,800	(10,800)	-	-
Soundabout Choir	-	(500)	500	-
Youth Music	24,443	(24,443)	-	-
Sundry Restricted Donations	<u>265</u>	<u>(55)</u>	<u>-</u>	<u>210</u>
	<u>110,650</u>	<u>(66,450)</u>	<u>3,305</u>	<u>47,505</u>
<b>TOTAL FUNDS</b>	<u><u>1,171,175</u></u>	<u><u>(201,482)</u></u>	<u><u>-</u></u>	<u><u>969,693</u></u>

## Severn Arts

### Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

#### 21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	882,668	(1,029,533)	(146,865)
Arts	146,599	(134,766)	11,833
	1,029,267	(1,164,299)	(135,032)
<b>Restricted funds</b>			
Music Education Grant	740,850	(740,850)	-
Cultural Development Fund	420,070	(420,070)	-
Arts Council England Pension Fund	56,242	(56,242)	-
BBC Children In Need	-	(19)	(19)
Bursary Fund	4,983	(300)	4,683
Changing Tracks Nurture Group	-	(1,500)	(1,500)
The Children's Society	-	(892)	(892)
COMF Enhanced Youth Support	-	(1,019)	(1,019)
Cultural Educational Programme	1,000	(50)	950
Furthering Talent	29,571	(39,478)	(9,907)
Inspiring Future Through The Arts	-	(1,604)	(1,604)
Jubilee Funding	8,519	(15,466)	(6,947)
Kickstart	1,045	(2,305)	(1,260)
Music Box Fund	2,000	(15,137)	(13,137)
Music Mark Innovation Fund	7,400	(18,200)	(10,800)
Soundabout Choir	-	(500)	(500)
Youth Music	6,547	(30,990)	(24,443)
Sundry Restricted Donations	-	(55)	(55)
	1,278,227	(1,344,677)	(66,450)
<b>TOTAL FUNDS</b>	<b>2,307,494</b>	<b>(2,508,976)</b>	<b>(201,482)</b>

#### Unrestricted funds

##### - Designated Reserves

A cash reserve of £300,000 has been designated by the trustees to ensure financial stability of the charity and meet charitable objectives.

##### - Transferred from Worcestershire County Council

Assets (including musical instruments) donated by Worcestershire County Council upon the transfer of County Music Service undertakings to Severn Arts. Last year a relating loan was converted to a donation and as such this fund was then transferred to general unrestricted funds.

##### - Arts Activity (designated)

Funding to support cultural activity and support artists across Worcestershire.

#### Restricted Funds

##### - Music Education Grant

DFE Grant allocated by Arts Council of England. Delivers core and extension roles for Music Education as set out in the National Plan for Music Education.

##### - Cultural Development Fund

Grant to fund festivals element of Worcester Railway Arches Project 2019-22 (project delivered between Worcester City Council, University of Worcester and Severn Arts).

##### - Arts Activity (restricted)

Funding to support cultural activity and support artists across Worcestershire.

##### - Arts Council England Pension Fund

Grant received from Arts Council England to fund increased Teacher Pension Scheme employer contributions.

## Severn Arts

### Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

#### 21. MOVEMENT IN FUNDS - continued

- **BBC Children in Need**  
Grant received to purchase a set of turntables and music technology equipment for the Music Box (bus).
- **Bursary Funds**  
A bursary fund started in 2019 for musical opportunities for Worcestershire children and young people.
- **Changing Tracks Nurture Group**  
Creative Musical Nurture Groups for Children at Risk of Exclusion from Primary School funded by Youth Music.
- **The Children's Society**  
Arts Projects for young people at risk of offending.
- **COMF Enhanced Youth Support**  
A photography and film project exploring the impact of Covid on young people in rural communities.
- **Cultural Education Programme**  
Arts Connect funding to develop the infrastructure of the Cultural Education Partnership (a network of organisations promoting arts and culture to young people).
- **Festival Fund**  
Relates to various grants, donations and other funding for the Light Night festival.
- **Furthering Talent**  
Grant to support 30 talented young musicians from disadvantaged backgrounds to further their music progression and provide mentoring and training support.
- **Inspiring Future Through the Arts**  
Provides arts activities through the Probation Service to prevent reoffending. Annual grant from Crime & Police Commissioner.
- **Jubilee Funding**  
A grant from Worcestershire County Council to commission local artists to celebrate the Queen Jubilee.
- **Kickstart**  
The Kickstart Scheme provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment.
- **Love Woodrow**  
Grant from Heart of England Community Foundation to undertake a Woodrow public art project.
- **Music Box Fund**  
To support and develop the delivery of Music Box music sessions.
- **Music Mark Innovation Fund**  
Music Mark funded project exploring youth voice across the 14 West Midlands Music Hubs.
- **Paul Hamlyn Foundation**  
Paul Hamlyn Foundation has awarded the charity a grant of £165,000 to support "Sing, Speak and Shine" project undertaken by the charity. This project is expected to run from April 2024 to July 2026 with delivery from September 2024. The charity plan to use this money to fund direct project delivery costs and a project manager staff position.
- **Soundabout Choir**  
Inclusive Choir for young people and their families delivered in partnership with Soundabout.
- **Worcestershire County Council Social Value Project**  
Grant from Worcestershire County Council to fund a series of agreed upon activities, including financing music box activities, provide apprenticeships to local individuals and provide assistance to local festivals.
- **Youth Music**  
Grant to develop inclusive and accessible music opportunities, training programmes and research to improve diversity, equality and inclusion and widen reach, working with two other music Hubs in Gloucestershire and Warwickshire.

## Severn Arts

### Notes to the Financial Statements - continued for the Period 1st April 2023 to 31st August 2024

#### 21. MOVEMENT IN FUNDS - continued

##### - Sundry Donations Received

Small donations received for a specific purpose in the year include, ticket income for Symphony Hall Concert, donations to contribute towards the running costs of the Jazz Orchestra and donations for sheet music purchases.

#### 22. EMPLOYEE BENEFIT OBLIGATIONS

The charity's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Worcestershire Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2022.

Included in creditors at the year end were pension creditors of £29,747 (2023: £22,249).

##### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The employer's pension costs paid to TPS in the period amounted to £258,386 (2023: £150,622).

**Severn Arts**

**Notes to the Financial Statements - continued  
for the Period 1st April 2023 to 31st August 2024**

**22. EMPLOYEE BENEFIT OBLIGATIONS - continued**

**Local Government Pension Scheme**

The LGPS is a funded multi-employer defined benefit pension scheme, with the assets held in separate trustee administered funds.

The agreed contribution rates for future years for employers is 24.2% (less an annual deduction of £1,500) from April 2023 for the next 3 years, with employees paying variable rates depending on their level of gross wages received each month.

The charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The employer's pension costs paid to LGPS in the period amounted to £52,090 (2023: £32,256).

**Defined contribution scheme**

The employer's pension costs paid to the defined contribution scheme in the period amounted to £9,355 (2023: £6,695).

**23. RELATED PARTY DISCLOSURES**

There were no related party transactions for the period ended 31st August 2024.



# Severn Arts

## Detailed Statement of Financial Activities for the Period 1st April 2023 to 31st August 2024

	Unrestricted funds	Restricted funds	Period 1.4.23 to 31.8.24 Total funds	Year Ended 31.3.23 Total funds as restated £
	£	£	£	£
<b>INCOME AND ENDOWMENTS</b>				
<b>Donations and legacies</b>				
Donations	11,670	4,098	15,768	7,127
Grants	249,961	1,695,998	1,945,959	1,387,257
Orchestra tax relief	24,579	-	24,579	17,273
	<u>286,210</u>	<u>1,700,096</u>	<u>1,986,306</u>	<u>1,411,657</u>
<b>Investment income</b>				
Bank interest	20,465	-	20,465	1,518
<b>Charitable activities</b>				
Holiday Activities and Food (HAF) Programme	58,631	-	58,631	29,230
CPD income	1,405	-	1,405	1,740
Event income	15,115	-	15,115	5,253
Project income	27,620	7,300	34,920	16,550
Resources	58,182	-	58,182	31,693
Tuition	1,244,369	-	1,244,369	793,793
Subscriptions	12,740	-	12,740	9,774
Concerts	4,465	-	4,465	3,886
Miscellaneous income	21,329	-	21,329	2,400
	<u>1,443,856</u>	<u>7,300</u>	<u>1,451,156</u>	<u>894,319</u>
<b>Total incoming resources</b>	<b>1,750,531</b>	<b>1,707,396</b>	<b>3,457,927</b>	<b>2,307,494</b>
<b>EXPENDITURE</b>				
<b>Charitable activities</b>				
Wages	1,610,162	105,227	1,715,389	1,174,734
Social security	120,525	357	120,882	88,279
Pensions	300,862	841	301,703	192,402
Instrument consumables	4,032	-	4,032	1,242
Workshop expenditure	513	-	513	408
External funding and bursary	1,511	-	1,511	503
Project costs	(832,161)	1,361,402	529,241	507,490
Subcontracted staff costs	24,195	-	24,195	14,849
	<u>1,229,639</u>	<u>1,467,827</u>	<u>2,697,466</u>	<u>1,979,907</u>

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**Severn Arts**

**Detailed Statement of Financial Activities  
for the Period 1st April 2023 to 31st August 2024**

	Unrestricted funds	Restricted funds	Period 1.4.23 to 31.8.24 Total funds	Year Ended 31.3.23 Total funds as restated £
	£	£	£	£
<b>Support costs</b>				
<b>Management</b>				
Rates and water	(6,451)	-	(6,451)	3,226
Insurance	22,735	-	22,735	13,189
Light and heat	16,278	-	16,278	9,783
Telephone	10,413	-	10,413	6,901
Advertising	25,007	-	25,007	16,808
Sundries	1,301	-	1,301	3,260
Service charges	23,391	-	23,391	15,869
Rent	54,400	-	54,400	37,662
Travel expenses	97,729	-	97,729	76,765
IT expenses	36,800	-	36,800	35,287
Legal and professional	11,301	-	11,301	10,462
Accountancy and payroll	16,603	420	17,023	15,780
Conference costs	2,737	-	2,737	1,311
Subscriptions	4,253	-	4,253	2,918
Board costs	2,704	-	2,704	1,820
Premises costs	12,674	-	12,674	14,452
CPD costs	8,831	-	8,831	4,399
Venue hire	5,398	-	5,398	19,516
Safeguarding costs	2,774	-	2,774	2,738
Consultancy fees	15,138	-	15,138	15,038
Postage and stationary	2,048	-	2,048	676
Depreciation	48,739	1,870	50,609	215,520
Profit on sale of tangible fixed assets	310	-	310	(2,023)
	<b>415,113</b>	<b>2,290</b>	<b>417,403</b>	<b>521,357</b>
<b>Finance</b>				
Bank charges	5,215	-	5,215	1,852
<b>Governance costs</b>				
Auditors' remuneration	<u>5,500</u>	<u>-</u>	<u>5,500</u>	<u>5,860</u>
<b>Total resources expended</b>	<u><b>1,655,467</b></u>	<u><b>1,470,117</b></u>	<u><b>3,125,584</b></u>	<u><b>2,508,976</b></u>
<b>Net expenditure</b>	<u><b>95,064</b></u>	<u><b>237,279</b></u>	<u><b>332,343</b></u>	<u><b>(201,482)</b></u>

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