



SEDMC TRUST

ANNUAL REPORT

SEP 19 - AUG 20

# Update from the Chair

Well, what a year of two halves! Starting with the highs of some newly implemented digital processes, and ending with with a national lockdown!

I'm so proud of our team this year, despite the lockdown restrictions cast upon us, our staff and members rose to the occasion and turned their hand at virtual music making and were even able to put on a summer concert.

This year we also formally closed our old charity AVEMA Trust and fully switched to SEDMC Trust. All staff were also issued with contracts of employment.

Our Main purpose remains the same, to advance the understanding, enjoyment and participation of children and the public in the Amber Valley and Erewash area in music making.

We currently offer 19 groups and ensembles for players of a range of abilities, instruments and styles.

Including orchestras, wind, brass & swing bands, chamber groups, clarinets, saxophones and guitars and choir groups. In addition to our main Centre at Kirk Hallam, we also run a Satellite Groups, for those that have not been playing their instruments for very long.

At the start of this academic year we took the opportunity to overhaul our registration process which is now fully digital making it easier for members and our staff. We also started the use of e-ticketing for our concerts. We hope that these are the start of many process improvements to streamline how we work.



# AT A GLANCE

8

-1

PERFORMANCE  
OPPORTUNITIES

222

+9

TOTAL  
MEMBERS

19

-1

ENSEMBLES

-£529

+£4,737

NET DEFICIT

# Membership

Our membership has remained fairly static this academic year with 222 active members throughout the year, with approximately 190 of those being either 18 or below which maintains our core offering being for young people.

Whilst this number maintains our healthy norm, we do anticipate that with the ongoing Corona-Virus situation, we will have to work harder in the coming years to maintain this. We know that whilst schools remain closed, it is harder for our teachers to recommend SEDMC to their students which is where the majority of our membership comes from.

We also know that many students will be leaving us at the end of the academic year as they leave for university. We are already planning initiatives to combat this decline.

We continue to be grateful for the support of Derby and Derbyshire Music Education Hub for their financial support in the form of an Arts Council England grant.





# RESPONSE TO THE PANDEMIC

As with most organisations, the restrictions placed upon us by the national lockdown had significant impact on our normal operations. In March 2020 we suspended our usual rehearsals in line with the guidelines.

At this time, the majority of our staff were placed on furlough leave, receiving 80% of their usual income.

The trustees agreed that we should continue to employ our Director of Music and Centre Co-ordinator who worked tirelessly to make plans to continue music making and plans to return safely when possible.

We also were able to offer two ensemble directors continued employment whilst they offered virtual ensembles to members in the form of a Quarantine Jazz group and Metronome Magic. Each ensured music making could continue for our members in some form.

At the end of August 2020, we are currently planning a return to face-to-face delivery of ensembles from our usual venue. To ensure that this return is as safe as possible, we have

devised an alternating timetable, one way system, sanitising routine as well as providing ensemble directors with clear screens to shield them whilst facing the ensemble.

In March we also made the decision to postpone our July 2020 tour to Saltsburg by a year. This mitigated any financial loss to members and the trust, however we do currently have vacant positions which need to be filled to ensure there is no financial loss to the trust in the future.

We envisage that thanks to the furlough scheme and reduced rental payments, the immediate effects of the pandemic will have limited financial impact on the trust

# Quality & Standards

SEDMC continues to operate its programme of one to one monitoring and mentoring with our Ensemble Leaders. This is led by the Director of Music, who is an employee of both the Derby & Derbyshire Music Partnership and AVEMA trust. The programme continues to provide a useful means of measuring progress, and successfully to show continued improvement of Quality and Standards.

It is also a very helpful method of obtaining important feedback from staff on the way Music Centre functions on a weekly basis. As part of our funding agreement with the Music Partnership, the Centre and the Trustees agree an annual set of performance objectives – our Service Level Agreement. We continued to meet or exceed these objectives and have been successful in securing funding for next year.

## Staff

The number of staff employed in the Music Centre in was 20 consisting of 15 Ensemble directors and 5 Administration staff (Director of music, Centre Co-ordinator, Administrator, Music Librarian, and Tuck Shop Manager. In addition, Centre employs members to assist with putting out and packing away our equipment



# Trustees

The trustee team has largely remained the same throughout this academic year, however our treasurer Ed Inskip decided to step away from the trust at the end of the year

## Current Trustees

|                     |                              |
|---------------------|------------------------------|
| Luke Stanley        | Chair                        |
| Phill Thornhill     | Secretary                    |
| Ed Inskipp          | Treasurer (until March 2020) |
| Charlotte Hallworth | Treasurer (from March 2020)  |
| Chris Holwell       | Trustee                      |
| Diane Wadey         | Trustee                      |
| Rachel Marshall     | Trustee                      |
| Chris Knapp         | Trustee                      |
| Mark Shearing       | Trustee                      |
| Sheila Middleton    | Honorary Trustee             |





# FINANCE

## The Trust's independently verified accounts are attached to this Report; these are summarised as follows

- Total income for the year was £101,162. This includes £8,886 of payments from members taking part in the Tour and a £37,597 transfer of funds from the closing of AVEMA trust. Net operating income for the year is therefore, £54,679
- Net income from concerts was £2,828 this was lower than expected however is a direct result of not all the concerts the trust planned to run being possible in the year. Plans are in place to resume as soon as UK restrictions allow.
- Our main sources of income remain membership subscriptions and the Arts Council England grant administered by the Derby and Derbyshire Music Partnership. This

provides a tiered funding structure based on membership numbers.

- The lower limit for the £17,000 grant is 200 members. Below this number, the grant funding drops to £10,000. This year we received £17,000 and the trustees are monitoring membership numbers in conjunction with membership retention & new projects to encourage younger members to join the centre.
- Total expenditure for the year was £56,226. This includes £1,018 of payments for the Tour. Net operating expenditure was, therefore, £55,208
- Income & Expenditure for the year have both been affected by Covid 19 and UK restrictions has led to reduced activities being offered between March & August 2020.
- There was a net deficit of £529 on operating activities (excluding Tour & fund transfer) for 2019-2020 period. During the year we received a Furlough grant of £8,231 which was a contribution towards covering salary costs while

# FINANCE CONT.

temporarily closing the music centre. In addition due to a national lockdown and group meeting restrictions in place rental costs of premises significantly reduced with in the year too.

- The Trust accounts closed with a cash reserve of £44,936. (£32,0267 unrestricted and £12,868 restricted.) Unrestricted reserves balance falls below the amount identified in the Trust's Reserves Policy, which is that reserves should equal two terms worth of our essential operating costs (salaries and rents). This in normal circumstances is approximately £35,000 however while the UK restrictions remain in place the trusts actual operating costs will remain reduced. It is the Trustees view that they will continue to run a balanced budget in the short term and look to increase the reserves as normal activities/operations resumes. Membership retention and fundraising are key factors in returning the trusts reserves to the expected level.



# Looking Ahead

Despite the impacts of Corona Virus, the trust remains a vibrant place for people to make music.

We're looking forward to hopefully to return to face-to-face rehearsals in September 2020 albeit in a slightly different way to usual.

Our current risks are around a loss of members at the end of this academic year and our predictions of a hard year to recruit more members next year. The risk being that the majority of our funding is based on a minimum membership level.

The other risk is that the ongoing Corona-Virus situation restricts us in the new academic year from returning to face-to-face rehearsals. This could also impact our fundraising efforts for Tour and concerts which are another big source of income for the trust.

The postponement of the 2020 tour to 2021 may also need to be further delayed, and the trust will continue to monitor the restrictions and ensure staff and members are kept up to date with any developments.





SEDMC TRUST

ACCOUNTS AND  
AUDITORS REPORT

# **Independent examiner's report to the trustees of South East Derbyshire Music Centre for the year ended 31 August 2020**

I report to the trustees on my examination of the accounts of South East Derbyshire Music Centre (the charity) for the year ended 31 August 2020.

## ***Responsibilities and basis of report***

As the trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').


I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

## ***Independent examiner's statement***

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

|                |   |
|----------------|---|
| Signed:        |  |
| Full Name:     | SARAH PATON   |
| Qualification: | P.G Dip HRM Part AAT.   |
| Date:          | 21/2/2021   |

**South East Derbyshire Music Center**  
**Treasurers Report**

## Section A Receipts and payments

| Receipts and payments for year to 31 August |      | 2019/20 | £              | 2018/19 | £ |
|---|------|---------|----------------|---------|---|
|   | Note |         |                |         |   |
| <b><u>Receipts</u></b>                      |      |         |                |         |   |
| Main Center                                 |      | 16,769  |                |         |   |
| Satellite clubs                             |      | 763     |                |         |   |
| Concert Receipts                            |      | 3,842   |                |         |   |
| Donations, Grants & Subsidies               | 1    | 68,407  |                |         |   |
| Instrument Hire                             |      | 88      |                |         |   |
| Instrument Sales                            |      |         |                |         |   |
| Tuck Shop Receipts                          |      | 1,598   |                |         |   |
| Reed Sales                                  |      |         |                |         |   |
| Sundry Income                               |      | 808     |                |         |   |
| Tour Receipts                               |      | 8,886   |                |         |   |
| <b>Total Receipts</b>                       |      |         | <b>101,162</b> |         | - |
| <b><u>Payments</u></b>                      |      |         |                |         |   |
| Salaries                                    |      | 40,971  |                |         |   |
| Rent  |      | 8,447   |                |         |   |
| Concert Payments                            |      | 1,014   |                |         |   |
| Instruments                                 |      | 965     |                |         |   |
| Music                                       |      | 548     |                |         |   |
| Tuck Shop Payments                          |      | 911     |                |         |   |
| Tour Payments                               |      | 1,018   |                |         |   |
| Training                                    |      | 210     |                |         |   |
| Sundry Expenses                             |      | 1,248   |                |         |   |
| Relocation Expenses                         |      |         |                |         |   |
| External Events                             |      | 230     |                |         |   |
| Accountant                                  |      |         |                |         |   |
| Computer & Stationery                       |      | 664     |                |         |   |
| Director of Music Projects                  |      |         |                |         |   |
| <b>Total Payments</b>                       |      |         | <b>56,226</b>  |         | - |
| Net Operating Surplus/ (Deficit)            |      |         | <b>44,936</b>  |         | - |

South East Derbyshire Music Center  
Treasurers Report

**Section B Statement of assets and liabilities at the end of the period**

as at 31 August

|  |               | 2020   | £             | 2019 | £           |
|--|---------------|--------|---------------|------|-------------|
|  | Note          |        |               |      |             |
| <b>Cash Assets - Unrestricted Funds</b>              |               |        |               |      |             |
| Cash held  |               |        |               |      |             |
| Saving Account                                       |               | 0      |               |      |             |
| Current Account (Unrestricted)                       |               | 32,067 |               |      |             |
| Current Account (Restricted)                         |               | 12,868 |               |      |             |
| <b>Total Cash funds</b>                              |               |        | <u>44,936</u> |      | <u>0.00</u> |
| <br><b>Assets retained for the charity's own use</b> |               |        |               |      |             |
|  | Current value |        |               |      |             |
| Instuments   | 2             | 81,830 |               |      |             |
| Tuck Shop stock held for resale                      |               | 0      |               |      |             |
|  |               |        | <u>81830</u>  |      |             |
| <br><b>Other Monetary Assets</b>                     |               |        |               |      |             |
| Debtors (Member fees outstanding)                    |               | 608    |               |      |             |
| Prepayments  | 3             | 1356   |               |      |             |
|  |               |        | <u>1964</u>   |      |             |
| <br><b>Liabilities</b>                               |               |        |               |      |             |
| Creditors  | 4             | 27363  |               |      |             |
| Accruals   |               | 36     |               |      |             |
| Deffered income                                      | 5             | 461    |               |      |             |
|  |               |        | <u>27860</u>  |      |             |



**South East Derbyshire Music Center**  
**Treasurers Report**

**Section C Notes to the accounts**

| <b>1 ) Donations, Grants &amp; Subidies</b>  | <b>2020</b>   | <b>2019</b> |
|--|---------------|-------------|
| AVEMA Trust Fund Transfer  | 37,597        |             |
| Gift Aid   | 5,119         |             |
| SLA  | 17,000        |             |
| Payroll - Furlough scheme  | 8,231         |             |
| Misc Donations   | 359           |             |
| Other  | 100           |             |
| <b>Total</b>   | <b>68,407</b> | <b>0</b>    |
| <b>2) Assets for own use</b>   |               |             |
| SEDMC own a variety of instruments which are used to aid delivery of our music programmes throught out the year.<br>Instruments are currently insured for the value of £81,830 Ownership transferred from AVEMA Sep 19 |               |             |
| <b>3 ) Prepayments</b>   |               |             |
| Premises / Venue Hire paid in advance  | 810           |             |
| Instrument Insurance   | 546           |             |
|  | <b>1,356</b>  | <b>0</b>    |
| <b>4 ) Creditors:</b>  |               |             |
| Tour Balance payable to Tour operator 2021   | 27,363        |             |
|  | <b>27,363</b> | <b>0</b>    |
| <b>5 ) Deffered income</b>   |               |             |
| 2020/21 Attendance fees received in advance.   | 461           | 0           |
| <b>6) Debtors</b>  |               |             |
| Tour Participates in 2020 committed to pay the SEDMC in 2021.  | 14,003        |             |
|  | <b>14,003</b> | <b>0</b>    |

**South East Derbyshire Music Center**  
**Treasurers Report**

**Section C Notes to the accounts (Continued)**

| <b>Tour Summary</b>                                | Transferred from AVEMA | 2019/20 | Total                |                      |
|--|------------------------|---------|----------------------|----------------------|
| <b>Income</b>                                      |                        |         |                      | Still to be received |
| Tour payments from participants                    | 5,000                  | 7,680   | 12,680               | 14,003               |
| Contributions from Fundraising activity            |                        | 606     | 606                  |                      |
|  |                        |         | <u>13,286</u>        |                      |
| <b>Expenses</b>                                    |                        |         |                      | Still to be paid     |
| Committed Tour expenses                            |                        | (418)   |                      | 27,363               |
|  |                        |         | <u>(418)</u>         |                      |
| <b>Restricted Balance Held in current account.</b> |                        |         | <u><u>12,868</u></u> |                      |

In 2019 Avema closed and transferred its commitments and funds to SEMDC. Part of which was to take 36 young musicians on a orchestra tour to Austria. This was due to take place in 2020 however due to the world pandemic travel plans have been postponed until 2021. If the trip is unable to go ahead as planned. Participants will expect a refund. Only costs financial committed have been displayed. Additional cost such as accommodation will be incurred in 2021.

**Glossary of terms**

**Receipts & payments accounts**

Receipts and payments accounts contain a summary of money received and money spent during the period and a list of assets and liabilities at the end of the period. Usually, cash received and cash spent will include transactions through bank accounts and cash in hand.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Designated funds are unrestricted funds earmarked by the trustees for a particular purpose.

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.

**Creditors:**

These are amounts owed by the charity, but not paid during the accounting period.

**Debtors:**

These are amounts owed to the charity, but not received in the accounting period.

**Prepayments:**

These are services that the charity has paid for in advance, but not used during the accounting period.



South East Derbyshire Music Centre

[www.SEDMC.co.uk](http://www.SEDMC.co.uk)  
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Supported using public funding by



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