



Annual Report **Sep 20 - Aug 21**

An update from the chair

We've had another strange year with the ongoing pandemic, but we have, at least been able to return to some normality with face to face rehearsals albeit not from our usual location.

Once again, the commitment to music making by our staff ensured that the effects of the lock down and social distancing restrictions didn't stop us from doing what we do best. Starting using virtual techniques we continued SEDMC live into people's homes before partnering with three new venues, we had to split up to enable space for social distancing.

Of course our membership numbers this year weren't at our usual levels, which meant that we had to make some changes to our timetable. Inevitably, this also meant that the trust had to make changes to our employees too. This year ran X 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.

Despite the hard decisions and changes, we were still able to showcase our work in virtual concerts across the South East Derbyshire area.

Financially, with help from the government's furlough scheme, and our grant from Derbyshire Music Education Hub, we ended the year with a small deficit of £452.17

Looking forward, we look forward to more restrictions being lifted, and our focus will be fixed on returning our membership numbers to pre-pandemic levels





Membership

Our membership took a significant dip this year, thanks to the ongoing covid-19 pandemic. We rely heavily on members being referred to us by music teaching in the area. As there has been less of this during the last 12 months, this has stifled the flow of new members. Topped with an academic year leaving SEDMC in August, the issue has been compounded.

This academic year we saw 151 active members throughout the year, with approximately 132 of those being either 18 or below which maintains our core offering being for young people.

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

We started the academic year full of plans and hope. With the national lockdown now lifted, and with risk assessments complete, we'd hoped to be able to get back to face-to-face delivery. Unfortunately, our usual venue could not accommodate us.

In September we started delivering to a near normal timetable whilst making use of technology such as Zoom. This virtual delivery, whilst not ideal for making music, did enable us to continue to offer the opportunity to engage with our members. By November, we'd partnered with three new venues around the local area which enabled us to get back to ensemble music making.

Due to our reduced member numbers, We had to rationalise the number of ensembles we ran. combining groups or in some instances not run the groups at all. We've continued to support staff, making use of the government's furlough scheme. Since September, changes to the scheme meant that SEDMC had to top up the payments to staff.

We again had to postpone the Salzburg tour to summer 2022. Any members who can no longer attend the tour has had their position offered to other members. Whilst this covers the risk for the trust, the pandemic has hampered our usual fundraising activities, and as such, a deficit towards tour remains one of the trusts largest risks.

The trustees continue to monitor the latest government advice on the pandemic, and update processes where necessary.





Quality and 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. 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.



Trustees

The Charity is governed by a team of volunteer Trustees who meet every half term. This year our meetings have made the most of technology and met virtually. At the end of this academic year, the team are:

Luke Stanley	Chair
Phill Thornhill	Secretary
Charlotte Hallworth	Treasurer
Chris Holwell	Trustee
Diane Wadey	Trustee
Chris Knapp	Trustee
Mark Shearing	Trustee
Jess Fearnie	Trustee
Sheila Middleton	Honorary Trustee

Finance

The Trusts independently verified accounts are attached to this report; these are summarised as follows:

Total income this year was £43.7k and total expenses paid was £42.8k. The financial statement for year end August 2021 therefore displays a small deficit of £452.17.

This result was after operating during the second year of Covid-19 restrictions which continued to intermittently disrupt the music centre being able to deliver it's normal programmes face to face. This has impacted on our ability to retain and gain membership numbers. While we did switch to online sessions for some programme delivery the sign up numbers were lower than normal centre attendance and therefore limited our income from memberships subscriptions. The result for this source of income was significantly reduced. Main centre fees reduced by more than half which over the year lead to the charity experiencing a £8.3k loss in income. This in turn this also reduced the value of gift aid available to claim. Funds from the SLA remain the same a prior year at £17k and additional income grant was received for £1.3k from Derbyshire CC for additional programmes we ran during the year. While our income during the year was down and our ability to open the centre restricted. We did also see a reduction in our expenses. By temporarily closing the music centre (due to a national lockdown and group meeting restrictions) rental costs of premises significantly reduced with in the year provided the charity with an £8k saving on rent costs. While closed the centre also furloughed some staff. The government extended its furlough scheme which allowed us to successfully reclaim £10k towards salary costs.

We had planned to take a group of students as a touring orchestra to Austria within July 2021 however at the start of 2021 the tour was postponed until the summer of 2022. With the change of date some students were no longer able to attend. During the year we issued refunds to those students and enrolled new students for the tour. We therefore spent £1.6k more than we received in the year. Restricted fund balance still remains in a positive position at £11.2k and income will continue to be collected during the next financial year. The trust plan to carrier our fundraising activities to support the tour costs and aim to breakeven at the end of the tour.

The Trust accounts closed with a cash reserve of £44, 483.89. (£33,230.46 unrestricted and £11,253.43 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 is 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 Trustee's 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.

Director of Music Report

September 2020 began with access to KHCA denied for all parties hiring the premises outside of school hours.

- September & October (5 Saturdays) - Senior / Intermediate level players played together outside, in the car parking area of KHCA building, (access to our stores was allowed for music, photocopying, and drum kit) with each player at an individual music stand and spaced out 2 metres apart. A small number of senior string players and Fresh harmonies choir managed some socially distanced rehearsals at KTco premises in Shardlow.
- Plans for November being more 'back to normal' were made, where we were to be working in 3 different venues around the area, but another national lockdown in November meant these couldn't happen and another change of plan happened quickly to accommodate rehearsals up to Christmas.
- We had 5 rehearsals prior to Christmas which were all online. We had the use of KTco premises in Shardlow and 2 x brass staff and 2 x woodwind staff lead senior players in two separate Zoom rehearsals for the appropriate instrumentalists. Backing tracks were played and staff could also play alongside supporting members with part playing. Junior winds @ home, Junior strings @ home, our choirs and senior string groups all continued with online rehearsals. Every player had access to secure sedmc google-drive folders to upload their 'at home' recordings which were then put together by a team of expert staff allowing every child the opportunity to be a part of our live-streamed Christmas concert on 12th December 2020.

Advice on how to record themselves as best as possible was given and we had a fabulous finale piece where every player participated. Every member of staff was involved in some way - either arranging music, directing online rehearsals or mixing audio and video tracks. All coordinated by the Music centre coordinator.

- For the whole of Spring term 2021 rehearsals were entirely online. YouTube access to Hal Leonard wind band scores and backing music allowed a full wind band experience to occur for all our senior and intermediate wind players. Four wind staff worked in pairs on alternate weeks. Senior strings, choirs and both @home junior groups continued with online rehearsals.
- Prior to the end of this term the country came out of lockdown and the autumn planning for socially distanced rehearsals face-to-face in 3 different venues was able to take place. So the final week of potential online rehearsals was cancelled in preference to having more face-to-face in summer term.
- Venues that became available to us were the Big Kirk Hallam Community Centre.
- Summer term allowed for SED youth orchestra to function again face to face and two string groups covering all ability levels rehearsed at the same venue. A pastoral staff member was there at all times. Likewise the wind bands (junior and senior) and guitar fusion were rehearsing face-to-face in a different venue with pastoral support there at all times. We had a duty of care for our staff as students and one in particular had struggled with mental health through lockdown. Four groups were only meeting alternate weeks - brass and big band alternated and flute and clarinet choirs alternated. This was due to the lack of space we had available to us. All rehearsals took place with plenty of ventilation, and distanced seating. All members who did not need to remove face coverings to play their instruments wore masks and all conductors had the option to have a clear screen in front of them if they felt too close to members. All took their own music stands and were asked to do lateral flow tests.
- 11 weeks of rehearsals were able to take place and concerts were planned for with optimism and thankfully came to fruition.
- Two concerts were held at a large church and therefore we were able to socially distance the players on the stage area and our audience, through using 'ticket source', were allocated seats with spaces between family groups. This allowed all our young people the opportunity to perform live for the first time since Christmas 2019. Four potential concert performances had been missed by everyone and we heralded the two concerts as a big success not just for music centre but for the young people who had been through an enormous change in their lives.
- Finally the SEDMC Tour to Austria that had been postponed from July 2020 to July 2021 was again cancelled and July 2022 became the new date, knowing that many who signed up for 2020 would have moved on to university and would sadly miss out on the opportunity.

Looking ahead

Whilst we're now able to deliver our services face to face, we're still not back to our normal selves. Looking ahead, we hope to return to a normal timetable from our usual venue.

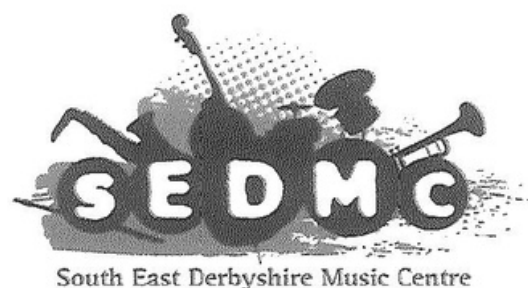
The impact of the pandemic has prompted the Trustees to be thinking about our long term home and how we might secure our own space though this will be a long term plan for the trust.

Our current biggest risk is the loss of member numbers. We have plans to increase our engagement in the community with participation in Long Eaton Carnival planned for September 2021. As well as our usual open days. We were also thankful to the Derbyshire Music Hub who altered the restrictions on our funding for minimum membership numbers.

The planned tour to Salzburg had to be postponed once more to summer 2022. Whilst this helps to keep staff and members safe, and hopefully less restrictions too. There is the ongoing risk that with restrictions, the trust is not able to conduct its usual fundraising to help fund excursions. The Trustees continue to monitor this at the trustee meetings.

Accounts and Auditors Report





Annual Finance Report

Registered charity, number 1137242
For the period ended 31 August 2021

Prepared by
Charlotte Hallworth

Prepared on
4 July 2022

This financial statement has been prepared to comply with cash accounting method.

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Treasurers Report

The principal funding sources for the charity have remained to be from membership subscriptions and the Arts Council England grant administered by the Derby and Derbyshire Music Partnership.

This year has seen a slight decrease in total funds held. Total income this year was £43.7k and total expenses paid was £42.8k. The financial statement for year end August 2021 therefore displays a small deficit of £452.17.

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This The Trust's independently verified accounts are attached to this Report

Independent examiner's report

Independent examiner's report to the trustees of South East Derbyshire Music Centre for the year ended

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 2021.

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').

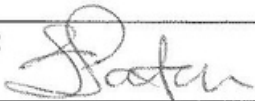
I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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 ELAINE PATON
Qualification:	DIP HRM AAT (PART)
Date:	31/7/22

SEMDC Finance Statement

September 2020 - August 2021

	Total	
	Sep 2020 - Aug 2021	Sep 2019 - Aug 2020 (PY)
INCOME		
Concerts income	1,648.00	3,842.43
Donations and legacies	29,846.61	69,169.13
Instrument Hire	15.00	88.00
Interest Received	6.52	45.68
Music Centre Fee	8,431.00	16,960.50
Raffle Ticket Sales	68.00	
Sales of Instrument	64.85	
Satellite Clubs	1,355.50	571.20
Tour income	2,295.00	8,886.42
Tuck Shop Sales		1,598.40
Total Income	43,730.48	101,161.76
COST OF SALES		
Theory Club Costs		230.00
Tuck Shop costs	1,344.18	910.58
Total Cost of Sales	1,344.18	1,140.58
TOTAL	42,386.30	100,021.18
EXPENDITURES		
Computer Costs	543.60	235.11
Concert Expenses	222.50	1,013.86
Instrument Insurance	663.72	655.20
Instrument Purchases	7.21	245.48
Library - Instrument Hire		64.00
Miscellaneous Expenses	157.35	1,248.34
Music Purchases	530.78	548.21
Office/General Administrative Expenses	193.82	
PayPal Commission	6.54	
Phone Costs	47.88	47.88
Printing, Postage and Stationery	235.78	380.94
Rent - All venues	375.00	8,447.00
Salaries	35,739.49	40,971.21
Tour Payments	3,910.00	1,017.99
Trailer	204.80	
Training		209.90
Total Expenditures	42,838.47	55,085.12
NET OPERATING INCOME	-452.17	44,936.06
NET INCOME/(EXPENDITURE)	£ -452.17	£44,936.06

Bank balances

Balance held at year end

	2021	2020
	£	£
Cash Held	0.00	0.00
Paypal	126.37	0.00
Saving / Reserve account	43,656.52	44,936.06
Current account	<u>701.00</u>	<u>0.00</u>
Total	<u>44,483.89</u>	<u>44,936.06</u>

Cash Funds are split between

Restricted	11,253.43	12,868.00
Unrestricted	<u>33,230.46</u>	<u>32,067.06</u>
Total	<u>44,483.89</u>	<u>44,936.06</u>

Cash movement over the financial year

Opening Bank Balances	44,936.06	0.00
Income and Expenses result (Page 5)	<u>- 452.17</u>	<u>44,936.06</u>
Closing Bank Balance	<u>44,483.89</u>	<u>44,936.06</u>

Notes to support the accounts

As at the end of August 2021

<u>1) Donations, Grants & Subsidies</u>	2021	2020
AVEMA Trust		37,597.11 (was a one off source of income)
Derbyshire CC	1,275.00	
Gift Aid Received	1,479.16	5,119.30
Other income	88.25	862.72
Payroll Furlough Scheme	10,004.20	8,231.00
SLA Grant Received	<u>17,000.00</u>	<u>17,000.00</u>
TOTAL	<u>29,846.61</u>	69,169.13

2) Assets for own use

SEDMC own a variety of instruments which are used in the delivery of our music programmes through out the year. These are insured unto the value of £81k

3) Creditors

Tour balance committed on a contract to pay be before Summer 2022	£27.0k
Rent May 21-July 21	£1.6k

4) Debtors

Students committed to pay for a tour before Summer 2022	£15.3k
Gift aid to be claimed up to Aug 21	£ 0.8k

5) Tour Summary

	C/fwd 2020	Current Year 2021	Total
Income			
Tour Payments from Participants	12,680	- 1615	11,065
Contributions from Fundraising	606		<u>606</u>
Total income			<u>11,671</u>
Expense			
Committed to Tour expenses	- 418		- 418
Restricted Funds Held in Reserve account			£11,253

The orchestra tour to Austria with 36 students was originally booked to take place in 2020. However as Covid-19 world pandemic and restriction imposed on travel has continue we have postponed this trip twice. It will hopefully go ahead in 2022. If the trip is unable to go ahead participants would expect to be refunded. Only costs financially committed have been displayed. Additional costs will be incurred for the tour closer to the time.

Glossary of terms

Receipt & Payment accounts

Receipt and payment accounts contain a summary of money received and spent during the period. Usually this lists cash received and cash spent either as transactions through bank accounts or by cash in hand.

Bank Funds

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.

Cash basis of Accounting (Cash Method)

SEDMC adopts this method of financial reporting for its annual accounts submission to the charity commission. It is a simple method of record keeping. No prepayments, Accrued income or expenses, no debtors or creditors in the balance sheet. The finance report is purely cash received and paid within the financial year. Notes to the accounts are for informational use and are not shown in the balance sheet of the cash method.