

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

Company Registration Number 1893979
Charity Number 516351

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE

Financial Statements
Year ended 31 March 2024

CONTENTS	Page
Company information	1
Trustees' report	2 - 7
Independent Auditor's Report	8 - 11
Consolidated statement of financial activities	12
Consolidated balance sheet	13 - 14
Consolidated statement of cash flows	15
Notes to the financial statements	16 - 30

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE

Company Information

31 March 2024

Registered charity name:	Inner City Music
Company registration number:	1893979
Charity number:	516351
Principal address:	25 Swan Street Manchester M4 5JZ
Trustees:	S Sorrell (Chair) L Ashurst J Curnuck R Jones N Reed G Sharp K Gabay K Campbell-Green
Auditors:	Mitchell Charlesworth (Audit) Limited Statutory Auditors 3 rd Floor 44 Peter Street Manchester M2 5GP
Bankers:	The Co-operative Bank plc 1 Balloon Street Manchester M4 4BE

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Trustees' Report

Year ended 31 March 2024

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Purposes and Activities

Over the last year we have continued to embed our revised mission into our activities, supplementing our venue programme with more external events, tours and learning programmes while also proactively developing the revised business model within the trading activity within Band on the Wall itself.

Inner City Music celebrates music and its power to engage, inspire and unify. In our venue Band on the Wall and through our wider programmes and activities, we enable all people to discover, explore, enjoy, and participate in the best music from around the world.

It became clear that, as the building had changed, that the business model within the venue also had to evolve, both in terms of how best to maximise occupancy within the main venue but also how to best use the second / bar venue space. It became clear through the year that this space could provide an entry level interaction with a new cohort of young creatives and audiences by using the space to showcase new and emerging artists and at the same time continue to improve on revenues generated across the bar.

Therefore it has been a year of experimentation and testing which resulted in a general shift within the main venue to a higher percentage of national / regional / local promoter hires (receiving) and a reduced percentage of our own produced events. This has improved occupancy overall and at the same time, with clear positioning and stressing a need for brand alignment with our promoter partners, maintained our clear mission focus and brand identity.

In the bar space we have tried a range of different strategies which ultimately resulted in a decision to re-brand the space and focus on a youth based programme, which was ultimately delivered in 2024-25.

For our audiences there is no doubt that we continue to be seen as a unique part of the city's live music offer, showcasing cultural music with an international outlook with quality of performance at the heart of what we do.

Which is to say we will continue to:

- Promote and celebrate the best music of many cultures, particularly showcasing jazz, folk, reggae, soul, latin, afro, funk, blues and other traditional music from across the world.
- Manage and operate the iconic live music venue Band on the Wall; maintaining its local, national and international reputation as a centre of excellence and innovation through our world-class artistic programmes which celebrate music from across the globe, and through our commitment to support and develop the best of emerging local talent.
- Serve our local communities and musicians by delivering learning programmes that integrate our artistic programmes. These will be open to people of all ages and backgrounds in a mission to establish Band on The Wall as a central space for all the city's communities to learn about the multiple music heritages of the city.
- Champion cultural diversity and promote equality by proactively seeking to reflect our communities in our programmes, participants, audiences, workforce and governance.
- Remove physical and psychological barriers to access by providing the best possible facilities and environment for deaf and disabled people and seeking feedback to inform ongoing evaluation and improvement in this area.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Trustees' Report (continued)

Year ended 31 March 2024

- Improve public knowledge of the rich musical heritage of Band on the Wall and its importance to the social and cultural history of Manchester by providing access to our extensive archive and committing to its ongoing development.

While we continued to work on developing the business model within Band on the Wall, we were fortunate that our touring activity had a 'peak' year, with all of our most significant touring artists performing during 2023-24, including Cory Wong, Sammy Rae and Billy Bragg, which meant that we produced the largest scale events we had ever undertaken in both Manchester's Apollo (Billy Bragg / Cory Wong) and the Eventim Apollo (London, Cory Wong) and made an overall contribution to the organisation of almost £140k on a turnover in excess of £615k.

The learning programmes have also settled into a pattern, with The Manchester College partnership leaping forward with significant investment in infrastructure and resources from them as they have expanded and re-structured their estate and require the additional space and are now fully utilising the building all day both Monday and Tuesday.

In addition, our own programmes, largely supported through National Lottery Heritage Fund (NLHF), continued to completion during the year, but with a clear pathway to re-apply for a new (non-capital) programme of activity (World of Song – a project focussing on working with newly arrived people and refugees) which was awarded during the year and will be delivered in subsequent years. The one core element of activity which we could not build into the new programme and that had not become self-sustaining was the Saturday Music Club, but with some relief we managed to secure funding from The Oglesby Foundation to keep this work going for the next three years at least.

Finally, our schools and learning programmes continued to connect with our broader communities, with projects focussing on Caribbean and African music traditions and contemporary urban song writing in partnership with local schools. These programmes have all been financed by the NHLF and came to completion during the year while we continued to develop plans for our new World of Song project.

Achievements and Performance

During the year we programmed 746 individual concerts across all venues, with 637 taking place at Band on the Wall (across both venues, often with multiple events on the same day) and 66 in other venues across the UK, resulting in almost 25k ticket sales for external shows and 72k ticket sales in Band on the Wall. Of the entire 637 Band on the Wall events 257 were promoted by external partners and 380 promoted by ICM, with 194 of those being un-ticketed (free / education / community or partnership) events, and with most of these being in the second bar venue.

The distribution in the main venue space was 175 external promoter hires vs 128 ICM promotions, totalling a high watermark in terms of a total occupancy of 303 events overall, but also marking a change in the distribution towards promoter hires. This shift in event type has worked well both in terms of utilising the second venue for experimental and progressive programme whilst also using the main space to maximise revenues and an overall contribution to the organisation. In addition to the above, the venue was hired for 58 private and corporate events across all spaces.

This also therefore shifted the balance of turnover on tickets down slightly while also pushing the value of rental income up. This meant that rental income came in with a contribution of £21k over budget, making an overall contribution of £112k overall, at the same time turnover on directly promoted shows was £81k down, but this only created a -£5k variance on projected contribution.

If we remove the free and bar events from the analysis, and looking just at the venue the average attendance was again 207 per event – exactly the same as the previous year, but with an increased number of events overall and a more effective utilisation of the bar. The average attendance for ticketed events in the bar was 65, almost exactly what we hoped for in the planning budgets developed prior to the capital project. As most events during the previous year were free, the strategy of utilising the bar for ticketed events during the week appears to have worked. However, we will be looking to return to free events at the weekends to maximise the general popularity of the area at the weekends where passing trade and the potential revenues are now considerable.

Finally, the learning programmes again reached almost one thousand people with almost ten thousand individual experiences and continues to grow with full utilisation of the venue, with activity taking place six days per week during term time.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Trustees' Report (continued)

Year ended 31 March 2024

Going forward (as of 31st March 2024) we have been working on the physical development of the bar (rebranding as The Copper Bar) and securing the finance to take on the long-term lease of The Rose & Monkey Hotel, immediately next door.

Financial review

While these accounts show an overall relatively small deficit, the reality is that underlying trading was actually strong and we continue to grow audiences and develop the overall business model. The deficit is in fact entirely due to the final stages of the delivery of the NLHF activity programme linked to the capital project, and our long-standing commitment to contribute to the final stages of this project (as detailed in the NLHF capital project cashflow). In effect, the activity programme cost £169k (£64k restricted and £105k within the unrestricted expenditure total) during the year with an income from funders of only £75k.

Looking back at the 2022-23 accounts, and the overall surplus of £260k (£207k unrestricted and £53k restricted) this almost entirely offsets the deficit incurred against the programme in this current financial year (if depreciation charges are also ignored).

Therefore, when taking the above extraordinary items into account, it is clear that trading activity is currently meeting or exceeding expectations and the budgets developed when initially planning out the expanded venue and addition of the second venue have been proven to be largely correct. In addition, developing a touring programme, despite the managed risks, also continues to make strong contributions to the core. This is underlined within the Band on the Wall Trading accounts, which show an overall donation to the charity of £757k, up from £399k in the previous year, with all departments making positive contributions to core.

Charity

Our learning and engagement activity is now very much embedded into the core of our work, with the venue in use 6 days a week and a significant amount of activity taking place across GM. The securing of another round of project funding from NLHF and The Oglesby Foundation at the end of March 24 means that this work has stability and will continue to embed itself into the culture of the organisation. With the core cost of the Learning Programme Manager's salary covered through this funding, it also means that the ongoing day to day classes which largely cover their own costs through participant donations (choirs / Jazz classes and Parent & Baby) can also continue in the longer term.

More broadly speaking, and as outlined above, it is clear that we have closed the gap on the overall costs vs income on the programme. The strategy of introducing more ticketing events into the bar and encouraging emerging promoters to produce events in the space is working, while also providing a low cost space for early career and specialist promoters to develop fulfils our sector support and artist development objectives, providing an exceptional platform for talent development.

Trading

As outlined above, trading income and the support this provided to the charity was strong during the year and we continue to work hard to maximise our commercial revenues.

Overall

Inner City Music continued to invest in our core purpose and did so within a controlled financial and operational framework, whilst meeting the expectations of our audiences, stakeholders and funders alike.

Overheads

Core expenditure was closely monitored and well controlled with some ongoing savings throughout the year and we took every opportunity for support as provided by all the various government schemes and initiatives, to reduce costs and liabilities.

Finally, the ongoing support and confidence of the Arts Council England and the National Lottery Heritage Fund in terms of finance but also through the direct advice and guidance of individual officers, has been absolutely key to enable us to develop a resilient business model. We are also pleased to be able to say that it is becoming ever clearer to convey our charitable mission and attract even greater support, such as through the Oglesby Charitable Trust and Granada Foundations.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Trustees' Report (continued)

Year ended 31 March 2024

Reserves policy

The purpose of the unrestricted fund is to provide funds for the day-to-day running of the charity. Should a deficit be made on a specific project, a transfer of funds will be made from the unrestricted funds to cover the deficit.

The company undertakes to maintain reserves to the value of three months' core expenditure against the costs of maintaining the staff team and company assets, principally being the property known as 'Band on the Wall'.

Plans for future periods

We continue to focus on the following core areas of business:

Band on the Wall

The Band on the Wall venue remains at the core of the organisation's activity with the majority of our output taking place within the spaces available. The expansion of the venue has allowed for greater resilience and stability going forward, while providing the charity with a range of additional and more flexible and well-designed spaces.

Creative Learning

This work is being significantly expanded with the development of our own internal programmes supported through NLHF. Plans are in place to continue to develop this programme and NLHF has suggested that they would look favourably on supporting a future bid to extend the programme and we have now been invited to apply for three years' support with the Oglesby Charitable trust.

Touring

Touring work has significantly increased during 23-24 and we will be continuing to build on this part of our work.

Streaming and Online

Our Streaming and online infrastructure is now in place and we will be building this area of work as we continue to generate new content.

Venue Services

We are proactively looking at how we can develop and exploit our venue systems outside of the building whilst also supporting sector development and best practice in other venues.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Working name of the Charity

The working name of the Charity is Band on the Wall. The legal name of Inner City Music Limited remains unchanged.

Recruitment and appointment of Trustees

New trustees are elected by the Council in accordance with the Charity's governing document.

Trustee induction and training

The policy of Inner City Music Limited is to provide each new trustee with a copy of the Charity Commission document 'The Responsible Trustee' and to provide background information about the work of the Charity at an induction session and through the updated Governance Code developed and agreed by the Board during 2012. Trustees are also encouraged to review prior documents, business and development plans, available in the ICM office and through the ICM online Board, Strategic and Staff Handbook Wiki; they are also encouraged to attend training events about charity governance.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Trustees' Report (continued)

Year ended 31 March 2024

Auditors

In accordance with the company's articles, a resolution proposing that Mitchell Charlesworth (Audit) Limited be reappointed as auditor of the company will be put at a General Meeting.

Reference and administrative details

Organisation

The Directors of the charitable company (the Charity) are its Trustees for the purpose of Charity law and Directors for the purpose of Company law.

The Trustees who served the charity during the period were as follows:

Key management personnel: Trustees' and Directors

Chair:	S Sorrell
Trustees:	L Ashurst
	J Curnuck
	R Jones
	N Reed
	G Sharp (see below)
	K Gabay
	K Campbell-Green

Key management personnel: Principal staff

Chief Executive:	G Sharp
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The Trustees are responsible for the affairs of the charity. In particular they decide the strategic direction of the Charity and ensure that it is solvent, well-run and fulfils the aims of the Charity. They delegate day-to-day operations and activities to the Chief Executive Officer. Where there is a project of significant scale or risk - as with the ongoing capital project - they take professional advice, including employing experienced consultants and other specialists to ensure that risks are minimised and the best possible result for the Charity is achieved. Their role as employers is also taken seriously and time is given over to ensure compliance within all areas of English employment law.

Staff seek to implement the organisation's business plan currently in place and report on progress on a regular basis to the Board. Regular financial reports are provided to the Board and, when required, consultants' reports are commissioned. The Board has approved a procedure for cheque and online payments and this is implemented by the Finance Manager, Facilities and Projects Manager and CEO.

Risk management

While trading, the broader economy and sector conditions continue to be something we need to carefully monitor, we believe that it is in fact the ability to monitor and evaluate our funders objectives and remain fully compliant with their requirements, represents a risk in the longer term and one that we will be working to mitigate in the remainder of the current funding cycle.

The major risks to which the organisation is exposed, as identified by the Trustees, have been reviewed and systems implemented to mitigate those risks. The management of cash flow during the period remained a priority and despite the challenges creditors were paid as and when due or payment plans put in place. Core costs were well controlled throughout the year and systems established to manage risk.

The business model always pre-supposed an expansion of activity outside of the building and the ICM staff now have systems well established to manage events across the UK. Although this has provided growth, it also comes with risk and this has been noted by both the Trustees.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Trustees' Report (continued)

Year ended 31 March 2024

Risk management (continued)

Operational and event risk management is tracked through a comprehensive operational database, which acts as the venue diary, and is used to project income against expenditure for all events. This sits alongside and provides financial information to the financial management systems managed by the Finance Manager, producing regular management accounts. This system has been enhanced and improved during the year, through additional investment. All systems have been reviewed and developed during the pandemic and capital project and a new database created which provides for more robust tracking of supplies ordered, specifically in regard to the events programme, risk analysis, budgeting and final outcome reporting.

Issues regarding the cost of depreciation to the charity and the impact on the balance sheet have been regularly discussed at Board level and regular reviews by the Finance Sub-Committee, involving the three qualified accountants on the board, the Finance Manager and CEO have all contributed to providing a pathway back to a financially stable position.

Trustees' responsibilities in relation to the financial statements

The Charity's Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a trustee at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the trustees individually have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the trustees



Julian Curnuck
Trustee

Dated: 19 December 2024

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Independent Auditor's Report to the Trustees of Inner City Music Limited

Year ended 31 March 2024

Opinion

We have audited the financial statements of Inner City Music Limited (the 'parent company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows, and the 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 including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 about the charitable company's ability to continue as a going concern for a period of at least twelve months from the date 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Independent Auditor's Report to the Trustees of Inner City Music Limited (continued)

Year ended 31 March 2024

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- 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 parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the group 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Independent Auditor's Report to the Trustees of Inner City Music Limited (continued)

Year ended 31 March 2024

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and the organisation's performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charitable company's Statement of Financial Activities, (ii) the charitable company's accounting policy for revenue recognition (iii) the overstatement of salary and other costs, and (iv) the understatement of creditors. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act, the Charities (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

Audit response to risks identified

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Independent Auditor's Report to the Trustees of Inner City Music Limited (continued)

Year ended 31 March 2024

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth

Alison Buckley (Senior Statutory Auditor)
For and on behalf of Mitchell Charlesworth (Audit) Limited
Accountants
Statutory Auditor

19 December 2024

3rd Floor
44 Peter Street
Manchester
M2 5GP

Mitchell Charlesworth (Audit) Limited is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

Year ended 31 March 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income:							
Donations and legacies	5	183,312	74,640	257,952	318,834	396,308	715,142
Other trading income	6	2,219,021	-	2,219,021	1,394,888	-	1,394,888
<i>Income from charitable activities:</i>							
Provision of musical works and performances	7	504,217	-	504,217	557,378	-	557,378
Total income		2,906,550	74,640	2,981,190	2,271,100	396,308	2,667,408
Expenditure:							
<i>Expenditure on raising funds:</i>							
Commercial trading operation costs		(1,461,647)	-	(1,461,647)	(984,846)	-	(984,846)
<i>Expenditure on charitable activities:</i>							
Provision of musical works and performances	8	(1,526,219)	(64,661)	(1,590,880)	(1,079,401)	(343,040)	(1,422,441)
Total expenditure		(2,987,866)	(64,661)	(3,052,527)	(2,064,247)	(343,040)	(2,407,287)
Net incoming/ (outgoing) resources before transfers		(81,316)	9,979	(71,337)	206,853	53,268	260,121
Transfers		-	-	-	-	-	-
Net movement of funds in year		(81,316)	9,979	(71,337)	206,853	53,268	260,121
<i>Reconciliation of funds:</i>							
Total funds brought forward		129,386	4,552,078	4,681,464	(77,467)	4,498,810	4,421,343
Total funds carried forward		48,070	4,562,057	4,610,127	129,386	4,552,078	4,681,464

The Statement of Financial Activities includes all gains and losses in the year and all income and expenditure derives from continuing activities.

Company Registration No. 1893979 (England and Wales)

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Consolidated Balance Sheet

As at 31 March 2024

	Notes	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Fixed Assets					
Tangible assets	15	4,932,058	4,932,058	4,939,999	4,939,999
Investments	16	-	1	-	1
		4,932,058	4,932,059	4,939,999	4,940,000
Current assets					
Stock	18	20,845	-	28,333	-
Debtors	19	82,014	135,018	67,202	137,044
Cash at bank and in hand		305,840	189,181	486,255	368,294
		408,699	324,199	581,790	505,338
Creditors: amounts falling due within one year	20	(380,115)	(295,616)	(598,937)	(522,486)
Net current assets		28,584	28,583	(17,147)	(17,148)
Total assets less current liabilities		4,960,642	4,960,642	4,922,852	4,922,852
Creditors: amounts falling due after one year	21	(350,515)	(350,515)	(241,388)	(241,388)
Net assets		4,610,127	4,610,127	4,681,464	4,681,464
Funds					
Unrestricted funds:					
General	23	48,070	53,776	114,386	120,092
Designated	23	-	-	15,000	15,000
Restricted funds	24	4,562,057	4,556,351	4,552,078	4,546,372
		4,610,127	4,610,127	4,681,464	4,681,464

Company Registration No. 1893979 (England and Wales)

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Consolidated Balance Sheet (Continued)

As at 31 March 2024

For the year ending 31 March 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

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

The notes on pages 16 to 30 form part of these accounts.

These financial statements were approved by the members of the committee on 19 December 2024 and are signed on their behalf by:



Julian Curnuck
Trustee

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE

Consolidated Statement of Cash Flows
Year ended 31 March 2024

		2024	2023
	Note	£	£
Cash flows from operating activities			
Cash generated in operating activities	31	<u>(203,978)</u>	<u>(115,161)</u>
Net cash from operating activities		(203,978)	(115,161)
Cash used in investing activities			
Purchase of property, plant and equipment		<u>(17,014)</u>	<u>(308,266)</u>
Net cash used in investing activities		(17,014)	(308,266)
Cash used in financing activities			
New borrowings		400,000	50,000
Repayment of borrowings		<u>(359,423)</u>	<u>(52,111)</u>
Net cash used in financing activities		40,577	(2,111)
Net decrease in cash and cash equivalents		(180,415)	(425,538)
Cash and cash equivalents at beginning of year		<u>486,255</u>	<u>911,793</u>
Cash and cash equivalents at end of year		<u>305,840</u>	<u>486,255</u>

Company Registration No. 1893979 (England and Wales)

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

1. Company information

Inner City Music Limited is a private limited company domiciled and incorporated in England and Wales. The registered office is 25 Swan Street, Manchester, M4 5JZ.

2. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements consolidate the results of the charity and its wholly owned subsidiary Band on the Wall Trading Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Inner City Music Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

At the time of approving the financial statements the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants are deferred to future periods only when this is specified by the funder or other preconditions of the fund are not yet met.

Investment income is recognised on a receivable basis.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

2. Accounting Policies (*continued*)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds are the direct and indirect costs of raising funds for charitable purposes, including applying for grants.
- Charitable activities include expenditure associated with the presentation and focus on musical works and performances and include both the direct costs and support costs relating to these activities.
- Support costs include central functions and have been allocated to activity cost categories directly as well as indirectly, based on an appropriate basis.
- Other expenditure represents those items not falling into any other heading.

Funds structure

- Restricted funds are funds subject to specific restrictive conditions imposed by the donor or by the purpose of the contract/monies received. The purpose and use of restricted funds is set out in note 24 to the financial statements.
- General funds are unrestricted funds, which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are funds which have been allocated or designated for specific purposes by the charity out of unrestricted funds.

Volunteers

The value of services provided by volunteers is not included in the financial statements.

Donated goods, services and facilities

On any occasion where goods and services are provided to the Charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity. Any goods given to the Charity and held for stock are only recognised in the year that the goods are distributed or used.

Tangible fixed assets

All fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment	-	5% to 20% reducing balance
Archives	-	10% of cost
Computer equipment	-	20% of cost

The freehold property is stated at market value which is based on regular professional valuations. If a material change is likely, intervening valuations are carried out.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

2. Accounting Policies (*continued*)

Fixed asset investments

Investments are stated at cost as the investment relates solely to the wholly owned share capital of its trading subsidiary Band on the Wall Trading Limited.

Pensions

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently fully managed and administered fund. The amount charged represents the contributions payable to the scheme in respect of the accounting period.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. Legal status of the Charity

The company is limited by guarantee and all members have agreed to contribute an amount not exceeding £1 in the event of a winding up. The number of members at the year-end was 8 (2023: 9).

4. Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
<i>Donations</i>						
Private donations	-	908	908	-	5,706	5,706
<i>Grants and service level agreements</i>						
Arts Council of England - Revenue Grants	183,312	-	183,312	318,834	-	318,834
Arts Council of England – Capital Grants	-	-	-	-	198,902	198,902
Charitable Trusts	-	(2,000)	(2,000)	-	34,000	34,000
Heritage Lottery Fund	-	75,732	75,732	-	157,700	157,700
	183,312	73,732	257,044	318,834	390,602	709,436
	183,312	74,640	257,952	318,834	396,308	715,142

6. Other trading income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Commercial trading operations	2,219,021		2,219,021	1,394,888	-	1,394,888

7. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Ticket income	482,532	-	482,532	441,706	-	441,706
Other income	21,685	-	21,685	115,672	-	115,672
	504,217	-	504,217	557,378	-	557,378

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

8. Analysis of expenditure on charitable activities

	Total 2024 £	Total 2023 £
Wages and salaries (excluding Bar wages)	694,200	565,371
Staff related costs	43,363	35,096
Hire of plant and machinery	14,362	28,950
Advertising	93,483	129,027
Musicians' costs	307,328	314,122
Production costs	32,176	100,159
Venue costs	90,905	17,367
Repairs and renewals	6,296	7,139
Capital funding expenditure	52,921	41,802
Central Support costs (note 9)	241,221	174,257
Governance costs (note 9)	14,625	9,151
	<u>1,590,880</u>	<u>1,422,441</u>

Expenditure on charitable activities was £1,590,880 (2023: £1,422,421) of which £1,526,219 (2023: £1,079,401) was unrestricted and £64,661 (2023: £343,040) was restricted.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

9. Analysis of support costs

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, these, along with the remaining support costs, are directly allocated to the various funds attributed to the sole charitable activity undertaken in the year.

	Total 2024 £	Total 2023 £
<i>Central support costs:</i>		
Premises costs	105,828	80,733
Professional fees	11,070	5,708
Telephone	3,513	2,370
Postage and stationery	273	784
Sundries	87,616	47,847
Travel	4,068	7,075
Bad debts	-	-
Depreciation	24,955	26,924
Loss on disposal of fixed assets	-	178
Bank charges	3,898	2,638
	241,221	174,257
<i>Governance costs:</i>		
Accountancy support	4,250	2,900
Audit fees	10,000	8,615
	14,625	9,151

10. Net income/(expenditure) for the year

	Total 2024 £	Total 2023 £
This is stated after charging:		
Depreciation	24,955	26,924
Auditors fees - for audit services	10,000	8,615

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

11. Analysis of staff costs, Trustees' remuneration and the cost of key management personnel

	Total 2024 £	Total 2023 £
Wages and salaries	814,201	611,629
Social security costs	62,542	67,872
Pension costs	16,427	15,655
	<u>893,170</u>	<u>695,156</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2024 No.	2023 No.
£60,001 - £70,000	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

No Trustees received re-imbursement for expenses during the year (2023: £Nil). The above amount represents the amounts paid to key management personnel of the Charity.

12. Staff numbers

The average monthly number of full-time equivalent employees (including casual and part-time staff) employed by the charity during the year was:

	2024 No.	2023 No.
Management and administration	<u>57</u>	<u>56</u>

13. Pension costs

The charity operates a defined contribution pension scheme, contributions are charged in the statement of financial activities as they accrue. The charge for the year for the Charity was £16,427 (2023: £15,655).

14. Corporation tax

On the basis of these financial statements no provision has been made for corporation tax.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

15. Tangible fixed assets

The Group and Charity	Freehold property £	Archiving £	Equipment, fixtures & fittings £	Total £
Cost				
At 1 April 2023	4,786,673	37,039	438,406	5,262,118
Additions	-	-	17,014	17,014
Disposals	-	-	(5,464)	(5,464)
At 31 March 2024	4,786,673	37,039	449,956	5,273,668
Depreciation				
At 1 April 2023	-	31,960	290,159	322,119
Charge for the year	-	1,580	23,375	24,955
Disposals	-	-	(5,464)	(5,464)
At 31 March 2024	-	33,540	308,070	341,610
Net book value				
At 31 March 2024	4,786,673	3,499	141,886	4,932,058
At 31 March 2023	4,786,673	5,079	148,247	4,939,999

The historical cost of the freehold property is £7,157,158 (2023: £7,157,158). The Charity's freehold property interest in 27 & 29 Swan Street was revalued by Beesleys Chartered Surveyors on 30 March 2015. The Trustees consider this value represents the fair current market value of the property at the year-end.

The Arts Council of England holds a fixed and floating charge over the assets of the charitable company dated 12 February 2008, and a charge over the freehold property of the charitable company dated 23 January 2020 and 31 March 2023.

The National Heritage Memorial Fund holds charges dated 15 February 2008 and 27 January 2020 over the freehold property of the charitable company.

At the balance sheet date, Lloyds Bank plc held a fixed and floating charge over the assets of the charitable company dated 10 September 2020. After the year-end the loan was refinanced, and the charge was released.

16. Investments

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Historical cost at 31 March 2024	-	1	-	1

The investment above represents the whole of the issued share capital of Band on the Wall Trading Limited, a company incorporated in England and Wales (Company No 09412259).

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements
Year ended 31 March 2024

17. Financial instruments

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Carrying amount of financial assets				
Debt instruments at amortised cost	387,854	324,199	553,457	505,338
Equity instruments measured at cost less impairment	-	1	-	1
Carrying amount of financial liabilities				
Measured at amortised cost	380,115	295,615	598,937	522,486

18. Stock

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Goods for resale	20,845	-	28,333	-

19. Debtors

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Trade debtors	36,479	7,178	23,615	1,762
Amounts owed by group undertakings in which the Charity has a participating interest	-	87,937	-	112,170
Other debtors	11,776	6,144	15,464	3,739
Other taxes	18,639	18,639	-	-
Prepayments and accrued income	15,120	15,120	28,123	19,373
	82,014	135,018	67,202	137,044

20. Creditors: Amounts falling due within one year

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Trade creditors	145,308	114,706	160,482	107,695
Loan accounts	37,951	37,951	106,501	106,501
Other taxes and social security	13,801	13,801	15,844	15,844
Other creditors	9,573	5,372	8,876	4,760
Accruals and Deferred Income	173,482	123,786	307,234	287,686
	380,115	295,616	598,937	522,486

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements
Year ended 31 March 2024

21. Creditors: Amounts falling due after one year

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Loan accounts	350,515	350,515	241,388	241,388
	350,515	350,515	241,388	241,388

22. Deferred income

	2024 £	2023 £
At 1 April 2023	73,157	26,841
Additions during the year	94,648	80,767
Amounts released to income	(73,157)	(34,451)
At 31 March 2024	94,648	73,157

At the balance sheet date, the Charity was holding funds received in advance in respect of venue hire and ticket sales for events after the balance sheet date.

23. Unrestricted Funds

	1 April 2023 £	Income £	Expenditure £	Transfers £	31 March 2024 £
Unrestricted - general	114,386	2,906,550	(2,987,866)	15,000	48,070
Designated fund - Coccozza project	15,000	-	-	(15,000)	-
	129,386	2,906,550	(2,987,866)	-	48,070
	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
Unrestricted - general	114,386	2,271,100	(2,064,247)	-	114,386
Designated fund - Coccozza project	15,000	-	-	-	15,000
	129,386	2,271,100	(2,064,247)	-	129,386

The designated Coccozza project fund for the work in respect of the Coccozza building redevelopment has been transferred as the Coccozza building restoration is now complete.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

24. Restricted Funds

The restricted funds of the Charity comprise the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	1 April 2023 £	Income £	Expenditure £	Transfers £	31 March 2024 £
Tangible fixed assets fund	4,498,810	-	-	-	4,498,810
Other fund	53,268	74,640	(64,661)	-	63,247
	<u>4,552,078</u>	<u>74,640</u>	<u>(64,661)</u>	<u>-</u>	<u>4,562,057</u>
	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
Tangible fixed assets fund	4,500,590	-	-	(1,780)	4,498,810
Other fund	-	396,308	(343,040)	-	53,268
Heritage Lottery Fund - Bigger, Better, Stronger	<u>(1,780)</u>	<u>-</u>	<u>-</u>	<u>1,780</u>	<u>-</u>
	<u>4,498,810</u>	<u>396,308</u>	<u>(343,040)</u>	<u>-</u>	<u>4,552,078</u>

Tangible Fixed Assets Fund

This restricted fund represents monies received to assist with the purchase of the majority of the Charity's fixed assets and will reduce in line with the associated assets' depreciation policies.

HLF - Bigger, Better, Stronger

In relation to the development phase of the Coccozza building restoration.

25. Transfers between funds

The Heritage Lottery Fund has been transferred into the Tangible Fixed Asset Fund as the Coccozza building restoration is now complete.

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31 March 2024

26. Results of trading subsidiary

The results reported in the accounts of Band on the Wall Trading Limited, the Charity's wholly owned subsidiary, for the year-ended 31 March 2024 were as follows:

	2024 £	2023 £
Turnover and other income	2,219,021	1,394,888
Net cost of sales and administrative expenses	(1,461,647)	(984,846)
Profit before taxation	757,374	410,042
Donation to Inner City Music Limited	(757,374)	(399,074)
Retained in subsidiary for year	-	-
Balance at 31 March 2024	-	-

27. Operating lease commitments

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Within one year	-	-	-	-
			-	-

28. Capital commitments

	The Group 2024 £	The Charity 2024 £	The Group 2023 £	The Charity 2023 £
Within one year	-	-	-	-

29. Analysis of net assets between funds

The Group 2024	General Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	145,385	-	4,786,673	4,932,058
Cash at bank and in hand	-	-	305,840	305,840
Net current and non-current assets/(liabilities)	(97,315)	-	(530,456)	(627,771)
	48,070	-	4,562,057	4,610,127

INNER CITY MUSIC LIMITED

A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements
Year ended 31 March 2024

30. Analysis of net assets between funds (continued)

The Group 2023	General Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	153,325	-	4,786,674	4,939,999
Cash at bank and in hand	-	15,000	471,255	486,255
Net current and non-current assets/(liabilities)	(38,939)	-	(705,851)	(744,790)
	114,386	15,000	4,552,078	4,681,464
The Charity 2024	General Fund £	Designated Funds £	Restricted Funds £	Total £
Tangible fixed assets	145,385	-	4,786,673	4,932,058
Investments	1	-	-	1
Cash at bank and in hand	-	-	189,181	189,181
Net current and non-current assets/(liabilities)	(91,610)	-	(419,503)	(511,113)
	53,776	-	4,556,351	4,610,127
The Charity 2023	General Fund £	Designated Funds £	Restricted Funds £	Total £ (Restated)
Tangible fixed assets	-	-	4,939,999	4,939,999
Investments	1	-	-	1
Cash at bank and in hand	-	15,000	353,294	368,294
Net current and non-current assets/(liabilities)	120,092	-	(746,922)	(626,830)
	120,093	15,000	4,546,371	4,681,464

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements
Year ended 31 March 2024

31. Cash used in operations

	2024	2023
	£	£
Net movement in funds	(71,337)	260,121
<i>Adjustments for:</i>		
Depreciation	24,955	26,924
Loss on sale of tangible fixed assets	-	178
<i>Movements in working capital:</i>		
(Increase)/decrease in stock	7,488	(4,344)
(Increase)/decrease in debtors	(14,812)	118,385
Increase/(decrease) in creditors	(150,272)	(516,425)
Net cash (used in)/generated in operations	(203,978)	(115,161)

32. Reconciliation of net movement in funds to net cash flow from operating activities

	Group	Group	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Net movement in funds	(71,337)	260,121	(71,337)	249,153
Add: Depreciation	24,955	26,924	24,955	26,924
Add: Loss on sale of tangible fixed assets	-	178	-	178
Decrease/(increase) in stock	7,488	(4,344)	-	-
Decrease/(increase) in debtors	(14,812)	118,385	2,026	131,315
(Decrease)/increase in creditors	(109,695)	(518,536)	(117,743)	(498,801)
Net cash used in operating activities	(163,401)	(117,272)	(162,099)	(91,231)

33. Net debt reconciliation - Group - Current year

	31 March	Cash flows	31 March
	2023		2024
	£	£	£
Cash	486,255	(180,415)	305,840
Loans falling due within one year	(106,501)	68,550	(37,951)
Loans falling due after one year	(241,388)	(109,127)	(350,515)
Net debt	138,366	(220,992)	(82,626)

INNER CITY MUSIC LIMITED
A COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements
Year ended 31 March 2024

33. Net debt reconciliation - Group - Prior year	31 March		31 March
	2022	Cash flows	2023
	£	£	£
Cash	911,793	(425,538)	486,255
Loans falling due within one year	(102,111)	(4,390)	(106,501)
Loans falling due after one year	(247,889)	6,501	(241,388)
	<hr/>	<hr/>	<hr/>
Net debt	561,793	(423,427)	138,366
	<hr/>	<hr/>	<hr/>