

Yorkshire College of Music and Drama

Charity number 529220

Annual Report and Financial Statements

for the year ended 31 July 2022



West Yorkshire Community Accounting Service

Yorkshire College of Music and Drama

Annual Report and Financial Statements for the year ended 31 July 2022

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Prepared by West Yorkshire Community Accountancy Service CIO

Yorkshire College of Music and Drama

Trustees' report for the year ended 31 July 2022

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
David Hughes		
John Varley		
Lee Wallace		
Nicholas Wayne		

Charity number	529220	Registered in England and Wales
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Registered and principal address	Bankers
St Mark's House	Barclays Bank plc
1 St Mark's Avenue	1 Churchill Place
Leeds	London
LS2 9BN	E14 5HP

Independent examiner

Simon Bostrom FCIE

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is governed by a trust deed dated 14 October 1968.

Method of recruitment and appointment of trustees

The charity is in the form of a trust. New trustees may join at the invitation of the existing trustees.

Yorkshire College of Music and Drama

Trustees' report (continued) for the year ended 31 July 2022

Objectives and activities

The charity's objects

To promote the study of music, drama and the arts in and around the city of Leeds and in particular to continue to extend and develop the work hitherto carried on by the college.

The charity's main activities

The charitable aims of the Yorkshire College of Music & Drama include working in the community to bring music, and the love of playing and singing, to disadvantaged groups who would not normally be able to access music – lessons, participation and appreciation.

We work with schools which haven't the budget or staff to provide music lessons for their pupils. We aim to engage with a wide range of groups such as the elderly, the young, people with physical or learning difficulties and groups of socially or physically excluded people so they can enjoy the pleasure of music by simply listening or, hopefully, joining in.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the advancement of education, the arts, culture, heritage and science.

Achievements and performance

We have expanded our activity to connect with partners who are active in providing support to groups within the community who are disadvantaged – especially those suffering from mental or physical disability of some kind. This includes providing space for them to carry out stimulating music based activities, or practice and rehearsal space where there is none other available to them.

Financial review

The net expenditure for the year was £111,374.

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £62,913.

In addition to this there are investments held valued at £185,832 at the year end date.

The Trustees aim to provide music lessons at a price that covers the direct costs of the tutor and a contribution to the overheads of the College. The reserves that have been built up since 1968 are to provide against the risk of shortfalls in the income received.

Whilst the charity's ability to generate income was compromised to some extent by COVID we were able to reduce our operating costs and were in receipt of a number of grants which mitigated the situation. We also have significant reserves which are sufficient to support the charity for at least 2 years. The global economic situation and the war in Ukraine is causing further uncertainty, but we are actively expanding our range of activities to give us greater options in terms of income generation. We are investing in our staff to increase our skills base and market reach, and we have fixed energy agreements for both electricity and gas that will insulate us from instability in those markets until January 2025 and January 2026 respectively.

Approved by the board of trustees on 26/05/2023

David Hughes (Trustee)

Yorkshire College of Music and Drama

Independent examiner's report to the trustees of Yorkshire College of Music and Drama

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 July 2022, which are set out on pages 5 to 11.

Responsibilities and basis of report

As the charity trustees 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 as carried out under section 145 of the 2011 Act. 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 material 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 Charities Act;
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Simon Bostrom FCIE

26/05/2023

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Yorkshire College of Music and Drama
Statement of Financial Activities
(including summary income and expenditure account)
for the year ended 31 July 2022

	Notes	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Income from:					
Grants and donations	(2)	21,124	-	21,124	26,143
Tuition fees		68,230	-	68,230	61,601
Room hire		13,577	-	13,577	3,794
Investment income		4,238	-	4,238	6,342
Other earned income		3,352	-	3,352	775
Total income		110,521	-	110,521	98,655
Expenditure on:					
Salaries, NI and pensions	(3)	50,147	-	50,147	49,021
Tutors' fees		68,083	-	68,083	57,610
Other tuition costs		502	-	502	1,590
Marketing and public relations		1,899	-	1,899	7,774
Property lease charges		45,060	-	45,060	45,208
Rates		3,546	-	3,546	2,115
Utilities and water		8,549	-	8,549	3,853
Cleaning and refuse		4,819	-	4,819	3,676
Repairs and maintenance		2,846	-	2,846	5,293
Health and safety		324	-	324	1,087
IT maintenance and software		1,384	-	1,384	740
Printing		4,921	-	4,921	-
Telephone and internet		2,609	-	2,609	3,313
Equipment lease costs		5,178	-	5,178	3,548
Insurance		2,742	-	2,742	3,084
Food and refreshments		219	-	219	341
Investment management fees		3,075	-	3,075	4,666
Bank charges		821	-	821	782
Accountancy and independent examination		1,320	-	1,320	3,504
Depreciation		575	-	575	676
Sundry expenses		1,002	-	1,002	708
Bad debts		532	-	532	-
HR support		1,150	-	1,150	-
Total expenditure		211,303	-	211,303	198,589
Net gains/(losses) on investments		(10,592)	-	(10,592)	63,380
Net income / (expenditure)		(111,374)	-	(111,374)	(36,554)
Fund balances brought forward		363,379	4,193	367,572	404,126
Fund balances carried forward	(4)	252,005	4,193	256,198	367,572

All incoming resources and resources expended derive from continuing activities.

Yorkshire College of Music and Drama

Balance sheet

as at 31 July 2022

		2022	2022	2022	2021
		Unrestricted	Restricted	Total	Total
		£	£	£	£
Fixed assets					
Tangible assets	(5)	3,260	-	3,260	3,835
Investments	(6)	185,832	-	185,832	345,261
Total fixed assets		<u>189,092</u>	<u>-</u>	<u>189,092</u>	<u>349,096</u>
Current assets					
Debtors and prepayments	(7)	8,069	-	8,069	12,169
Cash at bank and in hand	(8)	56,556	4,193	60,749	7,327
Total current assets		<u>64,625</u>	<u>4,193</u>	<u>68,818</u>	<u>19,496</u>
Current liabilities:					
amounts falling due within one year					
Accruals		1,712	-	1,712	1,020
Total current liabilities		<u>1,712</u>	<u>-</u>	<u>1,712</u>	<u>1,020</u>
Net current assets / (liabilities)		<u>62,913</u>	<u>4,193</u>	<u>67,106</u>	<u>18,476</u>
Net assets		<u>252,005</u>	<u>4,193</u>	<u>256,198</u>	<u>367,572</u>
Funds					
Unrestricted funds		252,005	-	252,005	363,379
Restricted funds		-	4,193	4,193	4,193
Total funds		<u>252,005</u>	<u>4,193</u>	<u>256,198</u>	<u>367,572</u>

The financial statements were approved by the board of trustees on 26/05/2023

David Hughes (Trustee)

Yorkshire College of Music and Drama

Notes to the accounts

for the year ended 31 July 2022

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Project and office equipment: 15%

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Yorkshire College of Music and Drama

Notes to the accounts continued

for the year ended 31 July 2022

1 Accounting policies (continued)

Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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

Leases

Rents under operating leases are charged on a straight line basis over the lease term or to an earlier date if the lease can be determined without financial penalty.

2 Grants and donations

	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Leeds City Council	21,124	-	21,124	26,143
	<u>21,124</u>	<u>-</u>	<u>21,124</u>	<u>26,143</u>

3 Staff costs and numbers

	2022 £	2021 £
Gross salaries	49,052	48,311
Pensions	<u>1,095</u>	<u>710</u>
	<u>50,147</u>	<u>49,021</u>

The average number of employees during the year was 2, being an average of 1.8 full time equivalent (2021: 2, 1.7 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2022 £	2021 £
Costs of the scheme to the charity for the year	1,095	710
Amount of any contributions outstanding at the year end	-	-
Amount of any contributions prepaid at the year end	-	-

4 Restricted funds

	Balance b/f £	Incoming £	Outgoing £	Transfers £	Balance c/f £
Derek Blackwell bursary	4,043	-	-	-	4,043
W Robinson Memorial Fund	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>150</u>
	<u>4,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,193</u>

Fund name

Purpose of restriction

Derek Blackwell bursary	Funds to provide singing lessons for those who would be unable to attend the college.
W Robinson Memorial Fund	Funds for the purpose of purchasing equipment for the drama department.

Yorkshire College of Music and Drama
Notes to the accounts continued
for the year ended 31 July 2022

5 Tangible assets	Equipment	Total
<u>Cost</u>	£	£
At 1 August 2021	50,474	50,474
Additions	-	-
At 31 July 2022	<u>50,474</u>	<u>50,474</u>
<u>Depreciation</u>		
At 1 August 2021	46,639	46,639
Charge for year	575	575
At 31 July 2022	<u>47,214</u>	<u>47,214</u>
<u>Net book value</u>		
At 31 July 2022	<u>3,260</u>	<u>3,260</u>
At 31 July 2021	<u>3,835</u>	<u>3,835</u>
6 Fixed assets investments	2022	2021
	£	£
Carrying (market) value at beginning of year	345,261	389,211
Less: disposals at carrying value	(153,075)	(109,000)
Dividends reinvested	4,238	6,336
Investment management fees	(3,075)	(4,666)
Add / (deduct): net gain / (loss) on revaluation	<u>(7,517)</u>	<u>63,380</u>
Carrying (market) value at end of year	<u>185,832</u>	<u>345,261</u>
Breakdown of investments agreeing with SOFA and Balance sheet		
Analysis of investments at market value	2022	2021
	£	£
Investments listed on a recognised stock exchange, funds or trusts	175,808	343,612
Cash held as part of the investment portfolio	<u>10,024</u>	<u>1,649</u>
Total	<u>185,832</u>	<u>389,211</u>
7 Debtors and prepayments	2022	2021
	£	£
Debtors	-	4,330
Prepayments	<u>8,069</u>	<u>7,839</u>
	<u>8,069</u>	<u>12,169</u>

Yorkshire College of Music and Drama **Notes to the accounts continued** **for the year ended 31 July 2022**

8 Related party transactions

Trustee expenses

No trustee received any expenses during this year or the previous year.

Trustee remuneration and benefits

No trustee received any remuneration or benefit during this or the previous year.

Remuneration and benefits received by key management personnel

The key management personnel of the charity include the trustees and College Principal. The total employee benefits received by the College Principal were £15,275 (previous year: £15,000).

No trustee received any remuneration or benefit in this capacity during this or the previous year.

9 Operating leases

Expected future minimum lease payments over the remaining life of the lease, analysed into the period in which the commitment falls due:	2022	2021
	£	£
Within one year	43,809	45,657
In the second to fifth years inclusive	85,914	129,482
Over five years from the balance sheet date	-	-
	<u>129,723</u>	<u>175,139</u>

Yorkshire College of Music and Drama

Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 July 2022

	2022 Unrestricted funds £	2021 Unrestricted funds £	2022 Restricted funds £	2021 Restricted funds £	2022 Total funds £	2021 Total funds £
Income						
Grants and donations	21,124	26,143	-	-	21,124	26,143
Tuition fees	68,230	61,601	-	-	68,230	61,601
Room hire	13,577	3,794	-	-	13,577	3,794
Investment income	4,238	6,342	-	-	4,238	6,342
Other earned income	3,352	775	-	-	3,352	775
Total income	110,521	98,655	-	-	110,521	98,655
Expenditure						
Salaries, NI and pensions	50,147	49,021	-	-	50,147	49,021
Tutors' fees	68,083	57,610	-	-	68,083	57,610
Other tuition costs	502	1,590	-	-	502	1,590
Marketing and public relations	1,899	7,774	-	-	1,899	7,774
Property lease charges	45,060	45,208	-	-	45,060	45,208
Rates	3,546	2,115	-	-	3,546	2,115
Utilities and water	8,549	3,853	-	-	8,549	3,853
Cleaning and refuse	4,819	3,676	-	-	4,819	3,676
Repairs and maintenance	2,846	5,293	-	-	2,846	5,293
Health and safety	324	1,087	-	-	324	1,087
IT maintenance and software	1,384	740	-	-	1,384	740
Printing	4,921	-	-	-	4,921	-
Telephone and internet	2,609	3,313	-	-	2,609	3,313
Equipment lease costs	5,178	3,548	-	-	5,178	3,548
Insurance	2,742	3,084	-	-	2,742	3,084
Food and refreshments	219	341	-	-	219	341
Investment management fees	3,075	4,666	-	-	3,075	4,666
Bank charges	821	782	-	-	821	782
Accountancy and independent exam	1,320	3,504	-	-	1,320	3,504
Depreciation	575	676	-	-	575	676
Sundry expenses	1,002	708	-	-	1,002	708
Bad debts	532	-	-	-	532	-
HR support	1,150	-	-	-	1,150	-
Total expenditure	211,303	198,589	-	-	211,303	198,589
Net gains/(losses) on investments	(10,592)	63,380	-	-	(10,592)	63,380
Net income / (expenditure)	(111,374)	(36,554)	-	-	(111,374)	(36,554)
Fund balances brought forward	363,379	399,933	4,193	4,193	367,572	404,126
Fund balances carried forward	252,005	363,379	4,193	4,193	256,198	367,572