



National Children's Orchestras of Great Britain

Registered company number: 02471385

Registered charity number: 803026 (England and Wales)

Audited financial statements for the year ended

31 December 2021

National Children's Orchestras of Great Britain
For the year ended 31 December 2021
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Report of the Trustees
National Children's Orchestras of Great Britain
For the year ended 31 December 2021

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

1. Mission

The National Children's Orchestras of Great Britain ('NCO') is a charity which exists to inspire children and young people aged 8 to 14 from all backgrounds and from across the UK to achieve their full creative potential through transformational learning experiences and performances of exceptional quality.

NCO's vision is to be a place where children (and grown-ups) flourish through music.

2. Public Benefit

NCO fulfils a unique, strategic national role as a distinctive pathway for children with outstanding creative potential at a key time as they transition from primary to secondary school. NCO provides high quality opportunities for children to take part in musical learning outside school. NCO is a significant progression route and connector in music education for children from all backgrounds.

The Trustees have had regard to the Charity Commission's guidance on the Public Benefit requirement under the Charities Act 2011.

3. NCO 2021 Membership

Given the cancellation of NCO's activity programme due to covid-19, the 2020 membership was 'rolled over' so that members were offered the opportunity to take part in NCO 2021 without having to re-audition. As a result, around 85% of young musicians remained in membership into 2021. 150 new children also joined the programme from Key Stage 2.

4. NCO 2021 Programme

NCO continued to plan for the return of residential courses and regional activity in 2021 in order to provide opportunities for 2020 members who opted to remain in membership the following year. However, at a board meeting on 1 April 2021, having considered all current guidance provided by the Department for Education and Public Health England, Trustees made the difficult decision to cancel all residential activity during the current year.

Uncertainty around social distancing requirements into the summer months made NCO's planned orchestral activity too susceptible to late cancellation, despite considerable, approved mitigations and detailed discussions with host venues.

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NCO Online 2021

NCO Online 2021 ran for twelve weeks between March-July and was built upon the extensive evaluation of a highly successful 2020 pilot programme that was designed with the children and their families. As well as enriching the activities and expanding the online programme, NCO also saw a significant increase in participants; 438 participants in 2020 rose to 600 in 2021.

NCO Online provided exceptional opportunities for children to play together, despite the constraints of the pandemic, with new virtual content shared widely and online to new audiences.

Following the success of the previous year's online programme, NCO Online 2021 was built on the same key themes further enriched by additional new activities and partnerships:

- 1 **Inspiration** – A series of inspirational webinars with special guests, welcome videos with our music tutors, and a newly curated parent webinar with Kadie and Stuart Kanneh-Mason on how to support the development of young musicians.
- 2 **My Instrument** – Musical sectional sessions, orchestral workshops and masterclasses, listening challenges, and partnership sectional and mentoring projects with the London Symphony Orchestra and National Youth Orchestra
- 3 **Let's Create** – Performing and recording for a multitrack of the newly commissioned piece 'NCO On The Move' by Ryan Linham, Wallace and Gromit soundtrack competition in partnership with Aardman Animations, and Musical Postcards, where our young musicians could record their own multitrack performances
- 4 **Wellbeing** – Fitness sessions with Ninja Warrior Henry Cookey and wellbeing sessions with Sarah Upjohn and Tom Taffinder, focussing on improving posture and looking after mental health as musicians.
- 5 **Pick 'n Mix** – Social activities, quizzes and Taskmaster challenges, giving our members the opportunity to be inventive and express their creativity via a series of fun tasks

In total, NCO Online 2021 delivered 1,000 live or catch up resources, 158 music sessions, 22 webinars, 260 live events, 48 social sessions and 18 mentoring workshops. 1,671 video submissions were received for the multi-track 'NCO On The Move'.

NCO Online was amazing and really motivated me to practise and I learned new things. The past three months couldn't have been any better. Everyone was so kind and supportive. It was great to meet so many inspiring people.

NCO Member

This was such a fabulous opportunity for my daughter. Everything was so clearly organised and made the whole process really easy. It was lovely seeing how child-centred everything was, ensuring fun was firmly factored into each activity as well as quality.

NCO Parent

NCO Online was absolutely amazing. I loved the sectionals, and watching Gromit being made in front of my eyes.

NCO Member

It is a remarkable achievement that NCO have made my children feel such a sense of belonging...despite nearly all their experience being virtual. Thank you NCO Team.

NCO Parent

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NCO Autumn Orchestral Days: November – December 2021

NCO delivered three orchestral days for all children in the 2021 membership as covid restrictions lifted to enable this activity to go ahead safely. The project was a celebration of the return of live activity and children reuniting to make music together. Offered free of charge, 250 children attended over the three days.

Over the course of three weekends, young musicians played ambitious and varied repertoire in the impressive Great Hall of the Richard Hoggart Building at Goldsmiths University, supported by inspiring conductors, composers from ABRSM's Composer Mentoring Programme, and NCO Music Tutors.

"We cannot adequately find the words to express our sincere thanks for the incredible NCO day at Goldsmiths University. What you have achieved for the young musicians online have been incredible, but to watch them playing in person with NCO was an incomparable joy." NCO Parent

5. NCO 2021

In March 2021, the charity relocated its administrative base from Weston Super Mare to Paintworks in Bristol. From this time, a new staff structure was put in place with previous capacity restored and strengthened.

All department processes became fully digitised with a new CRM system implemented to streamline and improve stakeholder engagement and ensure a solid foundation for data collection, monitoring and evaluation.

6. Profile and Engagement

Catherine Arlidge featured on BBC Radio 3 ahead of the online Summer celebration for NCO Online 2021 and partners Classic FM as well as The Strad, Music For Youth and Music Education shared social content relating to this culmination of NCO Online 2021.

NCO Online 2021 webinars shared publicly received 2648 views to date with the most popular a webinar with the Finalists of BBC Young Musician of the Year 2021 with 1215 views, 495 views for a Wallace and Gromit Webinar with Aardman Animations and 412 views for an In Conversation parent webinar with Kadie and Stuart Kanneh-Mason.

The NCO Online 2021 finale, a Summer Celebration video launched on 1st July 2021, received more than 2500 views on YouTube and the NCO On the Move multitrack video (created by participants of NCO Online 2021) has been watched on YouTube more than 1000 times. In addition, short features of musical postcards created remotely by groups of NCO Online 2021 Members have been viewed 542 times.

Engagement to support members' recruitment for 2022 membership via digital content included 1465 views for *What we look for in an audition* video, 1187 views for our guidance created for *Recording and Submitting your Video Audition* and 601 views for an inspiring *Why Join NCO* video that brought together digital testimonials from children, parents and music professionals.

The new Communications team, Communications Director (started June 2021) and Communications Administrator (started September 2021) established a refreshed approach and tone of voice for communicating with families and planned a new regular communications structure for 2022 Members, from Welcome email, through to regular weekly emails and timely response to regular enquiries.

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NCO's monthly e-news was re-established from July 2021 with c.1000 subscribers in 2021 and emails regularly receiving a 70% open rate and 15% click through rate. A new audition email list for 2021 onwards has 900 members and six emails sent in 2021 during audition recruitment received an 82% open rate and 28% click through rate.

A celebratory film created during the 2020/21 Main Orchestra's Autumn Orchestral Day in November 2021, encompassed the huge success of bringing members together for the first time since the pandemic and has been viewed 352 views on YouTube, 677 times on Instagram and reached 1100 people on Facebook (with 84 likes across Instagram/Facebook).

Overall, social media following increased, as of October 2021 by 64 to 2225 on Instagram, by 607 to 5477 on Facebook and by 108 to 4486 on Twitter.

7. Member Recruitment

Between July and November 2021, NCO ran its first comprehensive recruitment process for members since 2019 due to COVID-19.

Due to the impact of the pandemic, NCO moved the process entirely online with all applications received via video submission, removed audition fees and relaxed some requirements.

Over 960 applications were received for 624 places for a newly structured programme from 2022 as described below (section 9).

8. Financial Support

NCO remains committed to ensuring that any child with potential, regardless of financial circumstances, should be enabled to take up an NCO place. With help from the generous support of The Leverhulme Trust and The Linder Foundation, along with several additional funders, NCO awarded financial aid for 134 children (£26,250) in 2021 to support participation in NCO Online.

9. Future Plans

In 2022, NCO's new activity framework is designed to open up more opportunities for children to participate in the charity's programmes and help create inclusive progression routes that best serve children aged 8 to 14. Members in both programmes will learn from exceptional NCO tutors and experience the joy and power of playing in live ensembles with other young musicians from across the UK. Both programmes are supported with a wraparound digital offer to better prepare them musically and socially in advance.

National programme: Three symphony orchestras (for each school year group 7, 8 & 9). Members benefit from two residential courses in April and August, each culminating in a public performance. Each residency will be led by inspiring conductors (including Jonathan Bloxham, Natalia Luis-Bassa and Rebecca Miller), creative leads to spark creativity (Jonathan James, Lucy Drever and Sarah Freestone) and wellbeing practitioners (Sarah Upjohn and Tom Taffinder). NCO's Main Orchestra performs in London in November 2022.

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Projects Programme: Four symphony orchestras/ensembles in Manchester, Birmingham and London over two non-residential weekends, culminating in sharing events. NCO Projects are designed for younger children this year (years 5-8) and will focus on increasing participation from under-represented priority groups, developed in partnership with grassroots organisations who specialise in identifying young talent, and developing a clear and inclusive pipeline for young musicians within music education. NCO Projects will be led by inspiring conductors and guest artists, including Jess Gillam, Aaron Akugbo and Nate Holder.

Digital Programme: NCO recognises the power of digital in supporting learning and inclusion. Every child will have access to NCO's new member website hosting resources relating to our approach to learning as well as webinars, sectional rehearsals, preparation materials and social activities. This additional support will help support attainment gaps and ensure all children and their families feel engaged, inspired and welcome at NCO.

Going concern

NCO's Board and Finance Committee convened bi-monthly throughout 2021 to review the charity's financial position and strategy. The board is mindful that a strong reserves position at the start of 2020, alongside mitigating actions, and successful fundraising to date have combined to enable the charity to continue to not only operate but also innovate through its digital activities. The charity's expected loss in 2021 was mitigated for the most part due to two grants from the Cultural Recovery Fund totalling £290,911 alongside continued growth in fundraising and ongoing cost savings.

As the economic impact of the pandemic starts to recede throughout 2022 the two main budget risks are fundraised income and increasing costs (fuel and inflation). NCO's Board and Finance Committee regularly monitor budgets and budget risks.

STRUCTURE, GOVERNANCE AND MANAGEMENT

1 Governing document

The National Children's Orchestras of Great Britain is a charitable company limited by guarantee, incorporated on 19 February 1990 having acquired the whole of the assets, liabilities and activities of the National Children's Orchestra, being a charitable trust created by a deed of trust dated 16 August 1978. The company was set under a Memorandum of Association which established the objects and powers of the company and is governed under revised Articles of Association, adopted by the Board on 14 August 2019.

The company adapted its name from The National Children's Orchestra to The National Children's Orchestras of Great Britain, to better reflect its activities. This was approved by the Board and implemented with the approval of the Charity Commission on 10 July 2012.

In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

2 Trustees Recruitment

The directors of the company are also charity trustees for the purposes of company law and under the Memorandum and Articles of Association are known as and referred to within this report and the financial statements as 'Trustees'.

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It is the practice of the Board to carry out an annual Skills and Diversity Audit to ensure that a balance of skills is maintained within the Trustees, and that NCO has effective leadership in all aspects of its work. This applies to the operations of the Board as a whole and also to the Finance Committee.

In March 2021 the Audit identified gaps in knowledge and expertise and outlined recruitment needed to ensure the Board represented the participants and audiences it currently serves, as well as those it aspires to reach.

Recruitment is overseen by a Nominations committee. In 2021, NCO attracted 60 diverse applicants, resulting in positive changes, appointing Rosie Benneyworth, Beth Higham-Edwards, Kadiatu Kanneh-Mason, Lucy Maguire and Christine Wu in 2021 and Uchenna Ngwe and Letty Stott will be appointed in 2022. An additional young applicant is being mentored by two Trustees.

The Chair of Trustees and executive team will normally induct a new trustee through a number of familiarisation sessions, including, for example, attending concerts and visiting courses. The sessions aim to introduce the trustee to NCO and its operating context, business plans and financial position. Trustees are appointed by a resolution passed at a properly convened meeting of the Trustees or by ordinary resolution of the Trustees (in their capacity as Members) at a general meeting.

3 Organisational Structure

Trustees meet at least four times a year to approve strategic, artistic, financial and governance policies. The Board is supported by NCO's senior management team Sophie Lewis (Managing Director) and Catherine Arlidge (Artistic and Educational Director).

In addition, the Finance Committee meets four times a year to review in more detail the financial controls, governance, risk management and investment performance of the charity.

The Chief Executive and Artistic and Educational Director are supported by an informal Music Advisory Group (consisting of Music Tutors and conductors) and Equality, Diversity and Inclusion Advisory Group.

4 Objectives and aims

The Objects stated in the Charity's Articles of Association are:

- (a) To advance education and in particular to advance the education and training in music and orchestral playing of children and young persons through the formation of an orchestra or orchestras composed of such persons.
- (b) Such other charitable purpose or charitable purposes as the Trustees may in their absolute discretion think fit and which they consider are necessary or desirable for the attainment of the above objects or may be connected with the same or which have some affinity or purpose with those objects or may (whether so connected or having such affinity or not) conveniently be conducted or combined with them.

FINANCIAL REVIEW

The Statement of Financial Activities for the year is set out on page 16. Total income comprised £681,665 for unrestricted funds, £60,175 for restricted funds. Total expenditure was £709,602 in unrestricted expenditure and £126,250 in restricted expenditure. At 31 December 2021 the total reserves of the charity were £639,263 of which £127,651 are restricted.

The Charity benefited from £10,323 in Orchestral Tax Relief and £3,798 in Gift Aid in the accounting period.

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1 Reserves Policy

Of unrestricted funds £668 may only be realised through the sale of fixed assets. £210,000 is held in designated funds, to protect the charity should a natural disaster re-occur. Accordingly, £301,613 is available as free reserves.

Having reviewed the charity's reserves policy in April 2022 and in light of the crisis caused by the covid-19 pandemic, Trustees identified and agreed that £500,000 should be retained in unrestricted reserves to ensure that the charity is able to continue to deliver essential services for its beneficiaries should a similar event occur again. A two-year view was taken to reflect the fact that the consequences of an event such as a pandemic extend beyond any one financial year. Trustees will actively review this reserves policy on an ongoing basis.

2 Restricted Reserves

These funds are maintained through annual fundraising activities. NCO receives specific donations from which only specific disbursements may be made. An explanation of each restricted reserve and the purposes for which it may be expended are given in note 19 to the accounts. Over the next three years, NCO intends to draw down specific restricted reserves to support the charity's ongoing mission and objectives.

The charity maintains a **Bursary Fund** to ensure that financial assistance is available to cover all or part of the costs of membership of any child whose family qualifies in the year of membership. The Board considers that a fund should be maintained for this purpose that is equivalent to approximately one year of anticipated expenditure, assuming fundraising continues. In the year under review, the requirement for financial aid was significantly reduced in line with an adapted programme of activity due to the pandemic. Therefore, grants were either approved to be repurposed to support core and/or NCO Online costs or deferred to 2021.

Accordingly, the Bursary Fund was drawn down by £26,250. The remaining balance is £36,743.

3 Risk Management

The Trustees and Executive team meet regularly to review major internal and external financial, strategic, business and operational risks which the charity faces. Organisational and finance risks are a standard agenda item for Board and Finance Committee meetings respectively ensuring that systems and procedures are effective to mitigate those risks as well as measures designed to minimise or manage the potential impact in the event that those risks present themselves.

Trustees consider there to be three key risks to the charity:

a. Pandemics and comparable Force Majeure events

The impact of covid-19 on both NCO's financial position and ability to plan live activities continues to present an ongoing risk to the charity if government guidance for social distancing, and in particular for national youth orchestras, returns. NCO Trustees will continue to monitor this risk via regular reporting and meetings and can develop alternative plans if required for the charity's 2022/23 programme.

b. Child Protection and Safeguarding

The well-being and safety of all children and young musicians whilst engaged in NCO activities is of paramount importance. The Board undertakes an annual review of safeguarding policy and practice and two Trustees have specific Safeguarding responsibility. All staff and volunteers at NCO must have a full current Enhanced Disclosure and Barring Service (DBS) check. Training is provided for staff at the start of every residency and all staff must complete a basic online child safeguarding course. Additional training is undertaken by senior residency and administrative staff.

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c. Fundraising

Every year, NCO needs to raise c. £500,000 to subsidise its overall programme of activity, support its financial aid programmes and support core costs. The Executive team regularly report to the board and finance committee on secured income against targets and to monitor strategies for fundraising and the risks therein.

4 Development 2021 & 2022

2021

The persistence of COVID-19 meant NCO's 2021 fundraising strategy continued to be driven by the charity's organisational response to the pandemic. NCO focussed on funding the online programme and building flexibility into funder agreements, allowing it to pivot with funding partners when restrictions changed. NCO qualified to apply to Rounds 2 and 3 of the Government's Culture Recovery Fund.

This approach was successful in a year where success in fundraising was critical to the charity's survival. NCO retained all existing funding agreements and is extremely grateful to funding partners who, as it endeavoured to keep pace with the twists and turns of the pandemic, generously permitted the repurposing of funding to best support the charity. In particular, NCO would like to thank ABRSM, the Cecil King Memorial Foundation, the D'Oyly Carte Charitable Trust, the Linder Foundation and the Leverhulme Foundation for their extraordinary support.

NCO individual donors, in particular Patrons, Friends and NCO member families, were as generous as the difficult circumstances permitted them to be. They bolstered fundraising by joining schemes or renewing support and donating to appeals. NCO is extremely grateful to each and every one of them.

NCO also secured new funding. In particular a significant grant from the Garfield Weston Foundation to support NCO Online and advance some vital strategic work. NCO Online was further supported by a generous grant from the Linder Foundation, who also provided additional financial support for children from lower-income households.

In a significant achievement, NCO also secured Statutory Funding for the first time in its recent history. NCO was extremely fortunate in an exceptionally competitive environment to receive a grant of £210,000 from the Arts Council of England's Culture Recovery Fund in Round Two in February, and £187,015 in Round Three in October (of which £80,911 was recognised in the current year).

2022

NCO entered 2022 with a strong foundation of committed existing supporters, and two new grant funders so far. It faces a very real challenge of funding a bridging year – moving from the survival fundraising of 2021 to a year of recovery activity which must respond to the changing needs of post-pandemic children amidst higher costs of delivery. The funding environment has become more challenging for fast-turnaround funding as many Covid-response funds have been discontinued and replacement funds are not open until later this year.

NCO has submitted a comprehensive bid for National Portfolio Status from 2023. If successful, this would be a three-year agreement and would secure significant core funding into the organisation.

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NCO expects the remainder of 2022 to be focused on secured grants to support the current fiscal year and 2023 activity. The charity also plans for a full review of audience development and data strategy to support future growth of individual giving income for NCO. This work will be underpinned by the new CRM system and additional investment in the development team.

REFERENCE AND ADMINISTRATION

Registered Company number

02471385 (England and Wales)

Registered Charity number

803026

Registered office

Saffery Champness LLP
St Catherine's Court
Berkeley Place, Clifton
Bristol BS8 1BQ

Principal Office

Unit 2.3 Streamline
436-441 Paintworks
Bristol BS4 3AS

Trustees

Louise Mitchell (Chair)
Janet Baker (Honorary Treasurer)
Charles Bligh (resigned 4 February 2021)
George Caird
Miranda Francis
Fiona Harvey
Andrew Kemble (resigned 2 July 2021)
Jonathan Mayes
William Norris
Claire Thompson (resigned 2 July 2021)
Brian Weir
Howard Williams (resigned 2 July 2021)
Christine Wu (appointed 2 July 2021)
Bethany Higham-Edwards (appointed 2 July 2021)
Rosemarie Benneyworth (appointed 2 July 2021)
Lucy Maguire (appointed 2 July 2021)
Kadiatu Kanneh-Mason (appointed 2 July 2021)

Finance Committee Members

Janet Baker (Hon. Treasurer)
Charles Bligh (resigned 4 February 2021)
George Caird
Andrew Kemble (resigned 2 July 2021)
Jonathan Mayes
Clare Thompson (resigned 2 July 2021)
Rosemarie Benneyworth
Fiona Harvey

Report of the Trustees
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Founder

Vivienne Price MBE

Senior Management Team

Sophie Lewis Managing Director

Catherine Arlidge MBE Artistic and Educational Director

Auditors

Saffery Champness LLP

St Catherine's Court

Berkeley Place

Clifton

Bristol

BS8 1BQ

Bankers

Lloyds TSB Bank PLC

64 High Street

Epsom

Surrey

KT19 8AT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of National Children's Orchestras of Great Britain for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 (FRS 102);
- 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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

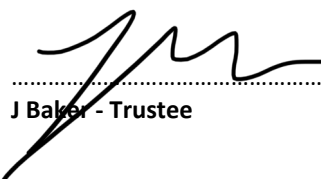
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The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

The auditors, Saffery Champness LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by the board of trustees on.....6th June 2022.....and signed on its behalf by:


.....
J Baker - Trustee

**Independent Auditor's Report to the members and trustees of
National Children's Orchestras of Great Britain
For the year ended 31 December 2021**

Opinion

We have audited the financial statements of National Children's Orchestras of Great Britain for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, cash flow statement and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 December 2021 and of its 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; and
- have been prepared in accordance with 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

**Independent Auditor's Report to the members and trustees of
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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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit ;or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

**Independent Auditor's Report to the members and trustees of
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Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page xx, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales .

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

**Independent Auditor's Report to the members and trustees of
National Children's Orchestras of Great Britain
For the year ended 31 December 2021**

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Strong (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP, Statutory Auditor

Date: 20/09/2022
St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

National Children's Orchestras of Great Britain
Statement of financial activities
for the year ended 31 December 2021

		Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£
	Note				
Income and endowments from:					
Donations and legacies	3	523,094	60,175	583,269	259,839
Charitable activities	4				
Auditions		-	-	-	-
Concerts		-	-	-	60
Regionals		-	-	-	19,081
Membership fees		147,500	-	147,500	64,500
Other trading activities	5	-	-	-	16,163
Investments	6	748	-	748	1,202
Other		10,323	-	10,323	21,952
Total		<u>681,665</u>	<u>60,175</u>	<u>741,840</u>	<u>382,797</u>
Expenditure on:					
Raising funds	7	64,462	-	64,462	60,934
Charitable activities	8				
Residencies (including online)		627,802	-	627,802	449,072
Auditions		17,338	-	17,338	-
Concerts		-	-	-	410
Bursaries and Scholarships		-	26,250	26,250	11,001
Regionals		-	-	-	34,410
Total		<u>709,602</u>	<u>26,250</u>	<u>735,852</u>	<u>555,827</u>
Net gains/(losses) on investments	15	<u>2,910</u>	<u>-</u>	<u>2,910</u>	<u>785</u>
Net income/(expenditure)		(25,027)	33,925	8,898	(172,245)
Transfers between funds	19	<u>28,924</u>	<u>(28,924)</u>	<u>-</u>	<u>-</u>
Net movement in funds	19	3,897	5,001	8,898	(172,245)
Total funds brought forward		507,715	122,650	630,365	802,610
Total funds carried forward	19	<u>511,612</u>	<u>127,651</u>	<u>639,263</u>	<u>630,365</u>

National Children's Orchestras of Great Britain
Balance Sheet
as at 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	14	668	-	668	11,718
Investments	15	<u>16,390</u>	<u>-</u>	<u>16,390</u>	<u>13,480</u>
		17,058	-	17,058	25,198
Current assets					
Debtors	16	56,234	-	56,234	271,114
Cash at bank and in hand		<u>1,029,194</u>	<u>127,651</u>	<u>1,156,845</u>	<u>524,557</u>
		1,085,428	127,651	1,213,079	795,671
Creditors: amounts falling due within one year	17	(590,874)	-	(590,874)	(190,504)
Net current assets		<u>494,554</u>	<u>127,651</u>	<u>622,205</u>	<u>605,167</u>
Total assets less current liabilities		511,612	127,651	639,263	630,365
Net assets		<u>511,612</u>	<u>127,651</u>	<u>639,263</u>	<u>630,365</u>
Restricted funds	19			127,651	122,650
Unrestricted funds:	19			511,612	507,715
Total charity funds				<u>639,263</u>	<u>630,365</u>

The notes at pages 20 to 32 form part of these accounts

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

Approved by the trustees on 6th June 2022 and signed on their behalf by:



L Mitchell - Trustee



J Baker - Trustee

National Children's Orchestras of Great Britain
Cash Flow Statement
for the year ended 31 December 2021

	Notes	2021 £	2020 £
Cash generated from operating activities			
Cash generated from operations	1	621,640	(215,432)
Taxation refund		-	21,952
		<u>621,640</u>	<u>(193,480)</u>
Net cash (used in)/provided by operating activities		<u>621,640</u>	<u>(193,480)</u>
Cash flows from investing activities			
Proceed from disposal		9,900	-
Interest received		748	1,202
		<u>10,648</u>	<u>1,202</u>
Net cash provided by/(used in) investing activities		<u>10,648</u>	<u>1,202</u>
Change in cash and cash equivalents in the reporting period	2	632,288	(192,278)
Cash and cash equivalents at the beginning of the reporting period		<u>524,557</u>	<u>716,835</u>
Cash and cash equivalents at the end of the reporting period		<u>1,156,845</u>	<u>524,557</u>

National Children's Orchestras of Great Britain
Cash Flow Statement
for the year ended 31 December 2021

Notes to the Cash Flow Statement

1 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	8,898	(172,244)
Adjustments for:		
Depreciation charges	4,149	18,508
Gains on investments	(2,910)	-
Interest received	(748)	(1,202)
Gain on disposal of fixed assets	(2,999)	-
Interest paid	-	-
Tax refund due	-	(21,952)
(Increase)/decrease in debtors	214,880	(17,426)
(Decrease)/increase in creditors	<u>400,370</u>	<u>(21,116)</u>
Net cash provided by/(used in) operating activities	621,640	(215,432)

2 Analysis of changes in net funds	At 1 January		At 31
	2021	Cash flow	December 2021
	£	£	£
Net cash			
Cash at bank and in hand	524,557	632,288	1,156,845
Total	<u>524,557</u>	<u>632,288</u>	<u>1,156,845</u>

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

1 Statutory information

National Children's Orchestras of Great Britain is a charitable company limited by guarantee and domiciled in England and Wales. The Charity is registered in England and Wales, Registered Company number 2471385, Registered Charity number 803026. The registered office is St Catherine's Court, Berkeley Place, Bristol, BS8 1BQ, and the Principal office is Unit 2.3, Streamline, 436-441 Paintworks, Arncliffe, Leeds, LS16 7PS.

The principal activity of the Charity is to foster and develop the early musical talent of children aged between 7 and 14 years from across the UK, providing world-class opportunities for orchestral training and performance.

2 Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Statement of compliance

These financial statements have been prepared in compliance with FRS 102 and SORP (FRS 102) the financial reporting standards applicable in the UK and Republic of Ireland and Companies Act 2006.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies which are described above, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

Assets are written down over their estimated useful lives. The actual lives of the assets may differ from these estimates. The lives of the assets are kept under review and adjusted as appropriate.

Allocation of costs between activities

As a small charity many costs incurred, including staff time, cover more than one activity. These costs are allocated to activities based on the key cost drivers and best estimates of staff time on each activity.

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

Income

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

In particular:

Donations are recognised when the amount of the donation is known and the receipt of funds is probable.

Legacies are recognised when the amount is known with reasonable certainty and the receipt of funds is probable. This may be earlier than the date of receipt of funds where appropriate notification has been received from those dealing with the estate.

Membership income is recognised in the accounting year the membership relates to. Any advance payments of membership are deferred to the period to which they relate.

Audition income is recognised when the auditions have taken place.

Income from Concerts and Regionals is recognised once the event has taken place. Any advance payments are deferred.

Income from trading activities is recognised upon sale of the associated merchandise.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants relate to bursaries and scholarships for attending the courses run by the Charity. Where a member of the Orchestra awarded a grant does not attend, the associated grant is cancelled.

Allocation and apportionment of costs

Costs are allocated to the different activities of the charity on an actual basis where possible. Where costs incurred relate to a number of activities these are apportioned on the basis of time spent on those activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	-	over the life of the lease
Music and Instruments	-	20% on cost
Fixtures and fittings	-	20% on cost
Motor vehicles	-	16.67% on cost

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

Fixed assets are stated at cost less accumulated depreciation.

Items purchased for less than £200 are not capitalised and are expensed through the Statement of Financial Activities.

Taxation

The National Children's Orchestra of Great Britain is registered as a Charity with the Charity Commission under number 803026. Because of its charitable status The National Children's Orchestra of Great Britain is exempt from United Kingdom taxation on its surplus income and capital gains.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Trade and other debtors

Trade and other debtors that are receivable within one year and do not constitute a financing transaction are recorded at the undiscounted amount expected to be received, net of any impairment.

Those that are receivable after more than one year or constitute a financing transaction are recorded initially at fair value less transaction costs and subsequently at amortised costs, net of impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Trade and other creditors

Trade and other creditors are initially recognised at the transaction price and are thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Investments

Investments are carried at their market value with movements in the market value being taken to the Statement of Financial Activities in the year.

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

3 Donations and legacies

	2021	2020
	£	£
Donations	576,472	208,759
Furlough grant received	-	36,046
Gift Aid tax recovered	3,798	14,180
Miscellaneous income	2,999	854
	<u>583,269</u>	<u>259,839</u>

4 Income from charitable activities

	2021	2020
	£	£
Auditions	-	-
Concert income	-	60
Regionals	-	19,081
Membership fees	147,500	64,500
	<u>147,500</u>	<u>83,641</u>

5 Other trading activities

	2021	2020
	£	£
Merchandising income	-	16,163
	<u>-</u>	<u>16,163</u>

6 Investment income

	2021	2020
	£	£
Investment income	748	1,202
	<u>748</u>	<u>1,202</u>

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

7 Raising funds

	2021	2020
	£	£
Raising donations and legacies		
Staff costs	62,601	39,022
Other costs	1,861	8,766
	<u>64,462</u>	<u>47,788</u>
Other trading activities		
Purchases	-	13,146
Staff costs	-	-
	<u>-</u>	<u>13,146</u>
Total	<u><u>64,462</u></u>	<u><u>60,934</u></u>

8 Charitable activities costs

	Direct costs	Grant funding of activities (see note 9)	Support costs (see note 10)	Totals
	£	£	£	£
Residencies (including online)	156,595	-	471,207	627,802
Auditions	17,338	-	-	17,338
Concerts	-	-	-	-
Bursaries and scholarships	-	26,250	-	26,250
Regionals	-	-	-	-
	<u>173,933</u>	<u>26,250</u>	<u>471,207</u>	<u>671,390</u>

9 Grants payable

	2021	2020
	£	£
Bursaries and scholarships	<u>26,250</u>	<u>11,001</u>

The total grants paid to individuals during the year was as follows:

	2021	2020
	£	£
Grant	<u>26,250</u>	<u>11,001</u>

All grants relate to bursaries provided to individuals as a subsidy towards their membership fees and travel costs.

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

10 Support costs

	Management	Finance	Governance costs	Totals
	£	£	£	£
Residencies (including online)	453,782	-	17,425	471,207
Auditions	-	-	-	-
Concerts	-	-	-	-
Bursaries and Scholarships	-	-	-	-
Regionals	-	-	-	-
	<u>453,782</u>	<u>-</u>	<u>17,425</u>	<u>471,207</u>

11 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2021	2020
	£	£
Auditor' remuneration	7,210	7,140
Auditors' remuneration for non audit work	5,050	2,580
Depreciation - owned assets	4,149	18,509

12 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

Trustees' expenses in respect of attendance at board meetings during the period totalled £nil (2020: £nil).

13 Staff costs

	2021	2020
	£	£
Wages and salaries	263,292	303,386
Social security costs	22,278	24,099
Pension costs	7,351	6,745
	<u>292,921</u>	<u>334,230</u>

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

2021	2020
£	£
8	12

There were no employees whose employee benefits (excluding employer pension costs) exceeded £60,000.

The Orchestras employed 131 freelancers during the year (2020: 57), who worked a total of 695 days (2020: 392 days).

The social staff provide pastoral support for the members of the Orchestras, whilst tutors help with the musical elements. These staff are paid on a per session basis.

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

14 Tangible fixed assets

	Short leasehold £	Music and Instruments £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost					
At 1 January 2021	38,109	124,045	72,018	45,148	279,320
Additions	-	-	-	-	-
Disposals	(38,109)	-	-	(45,148)	(83,257)
At 31 December 2021	<u>-</u>	<u>124,045</u>	<u>72,018</u>	<u>-</u>	<u>196,063</u>
Depreciation					
At 1 January 2021	38,109	121,337	69,909	38,247	267,602
Charge for the year	-	2,327	1,822	-	4,149
Eliminated on disposals	(38,109)	-	-	(38,247)	(76,356)
At 31 December 2021	<u>-</u>	<u>123,664</u>	<u>71,731</u>	<u>-</u>	<u>195,395</u>
Net Book Value					
At 31 December 2021	<u>-</u>	<u>381</u>	<u>287</u>	<u>-</u>	<u>668</u>
At 31 December 2020	<u>-</u>	<u>2,708</u>	<u>2,109</u>	<u>6,901</u>	<u>11,718</u>

15 Fixed asset investments

	Listed investments £
Market value	
At 1 January 2021	13,480
Revaluations	2,910
At 31 December 2021	<u>16,390</u>
Net book value	
At 31 December 2021	<u>16,390</u>
At 31 December 2020	<u>13,480</u>

There were no investment assets outside the UK.

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

16 Debtors: amounts falling due within one year	2021	2020
	£	£
Trade debtors	6,684	14,180
Prepayments	13,485	35,610
Tax recoverable	36,065	221,324
	<u>56,234</u>	<u>271,114</u>

17 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	4,570	127,165
Social security and other taxes	8,707	180
Deferred income	553,492	42,000
Accruals	24,105	21,159
	<u>590,874</u>	<u>190,504</u>

Further information on deferred income is provided in note 23.

18 Leasing agreements

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

	2021	2020
	£	£
Within one year	24,280	29,009
Between one and five years	-	20,233
	<u>24,280</u>	<u>49,242</u>

Lease payments recognised as an expense in the year amounted to £34,820 (2020: £20,656).

19 Movement in Funds

	At 1/1/21	Net movement in funds	Transfers between funds	At 31/12/21
	£	£	£	£
Unrestricted funds				
General fund	475,084	(202,396)	28,924	301,612
Unrestricted - designated funds				
IT Replacement fund	7,131	(7,131)	-	-
Office move	25,500	(25,500)	-	-
Risk Reserve	-	210,000	-	210,000
	<u>507,715</u>	<u>(25,027)</u>	<u>28,924</u>	<u>511,612</u>
Restricted funds				
Bursary fund	31,742	33,925	-28,924	36,743
Scholarship fund	1,792	-	-	1,792
E Rorison winter award	4,231	-	-	4,231
Access and progression	17,470	-	-	17,470
F Guthrie	1,522	-	-	1,522
Vivienne Price memorial fund	18,677	-	-	18,677
1978 association	47,216	-	-	47,216
	<u>122,650</u>	<u>33,925</u>	<u>(28,924)</u>	<u>127,651</u>
Total funds	<u>630,365</u>	<u>8,898</u>	<u>-</u>	<u>639,263</u>

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	471,666	(676,972)	2,910	(202,396)
Unrestricted - designated funds				
IT Replacement fund	-	(7,131)	-	(7,131)
Office move	-	(25,500)	-	(25,500)
Risk Reserve	210,000	-	-	210,000
	<u>681,666</u>	<u>(709,603)</u>	<u>2,910</u>	<u>(25,027)</u>
Restricted funds				
Bursary fund	60,175	(26,250)	-	33,925
E Rorison winter award	-	-	-	-
Vivienne Price memorial fund	-	-	-	-
Music support	-	-	-	-
General manager salary	-	-	-	-
	<u>60,175</u>	<u>(26,250)</u>	<u>-</u>	<u>33,925</u>
Total funds	<u>741,841</u>	<u>(735,853)</u>	<u>2,910</u>	<u>8,898</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General funds	675,374	(202,244)	1,954	475,084
IT replacement fund	7,131	-	-	7,131
Office move	25,500	-	-	25,500
	<u>708,005</u>	<u>(202,244)</u>	<u>1,954</u>	<u>507,715</u>
Restricted funds				
Bursary fund	1,743	29,999	-	31,742
Scholarship fund	1,792	-	-	1,792
E Rorison winter award	4,231	-	-	4,231
Access and progression	17,470	-	-	17,470
F Guthrie	1,522	-	-	1,522
Vivienne Price memorial fund	18,677	-	-	18,677
1978 association	47,216	-	-	47,216
General manager salary	1,954	-	(1,954)	-
	<u>94,605</u>	<u>29,999</u>	<u>(1,954)</u>	<u>122,650</u>
Total funds	<u>802,610</u>	<u>(172,245)</u>	<u>-</u>	<u>630,365</u>

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	341,797	(544,826)	785	(202,244)
Restricted funds				
Bursary fund	41,000	(11,001)	-	29,999
Leverhulme scholarship fund	-	-	-	-
E Rorison winter award	-	-	-	-
Vivienne Price memorial fund	-	-	-	-
Music support	-	-	-	-
General manager salary	-	-	-	-
	41,000	(11,001)	-	29,999
Total funds	382,797	(555,827)	785	(172,245)

Designated funds:

IT replacement fund

This fund is to provide for future IT expenditure and replacement as a condition of the restricted donation from Fidelity towards IT equipment.

Office move fund

NCO has an obligation under its office lease arrangements to make good the premises on expiry of the lease. No provision has been made for this liability as the costs cannot be reliably quantified.

Risk Reserve fund

This fund is designated for risk considered force majeure or any natural disaster. It has been calculated using an estimate of irretrievable costs in these circumstances. A two-year view was taken to reflect the fact that the consequences of an event such as a pandemic extend beyond any one financial year. Trustees will actively review this reserves policy on an ongoing basis.

Restricted funds:

Bursary fund

This fund is maintained through annual fundraising activities. NCO receives specific donations from which only bursary payments may be made. Distributions are made annually to support the membership of children from lower income families who might otherwise not be able to take up their places. As well as contributions to all or part of orchestra membership fees, financial assistance is also available towards the costs of travelling to courses, overnight accommodation for families who have long distances to travel, subsidised concert tickets and NCO regional orchestra rehearsal fees. Awards are made against a sliding scale on the basis of annual household income. Applications are scrutinised, and awards made, by an external panel of experts independent of NCO. The NCO Board regularly reviews bursary expenditure and scales to ensure that NCO is offering as much help as fundraising allows.

Scholarship fund

The Scholarship fund is to be used for scholarships to be granted at the discretion of the Artistic Director and Principal Conductor.

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2021

Leverhulme Scholarship fund

The Leverhulme Scholarship Fund was established to administer scholarships funded by the Everhulme Trust. Selection of Leverhulme Scholars is based on talent and musical potential, as opposed to bursary awards, which are made on the basis of financial circumstances.

E Rorison winter award

Elizabeth Rorison, a former trustee of NCO, bequeathed £5,000 towards an annual winter concert award

Access and progression

This fund represents money received to support the outreach activities

F Guthrie

Mrs Faith Guthrie, a former NCO Trustee, generously supports certain NCO projects and provides bursaries from time to time.

Vivienne Price memorial fund

This fund has been established through donations made to NCO in memory of Vivienne Price MBE, NCO's Founding Patron, and the proceeds of a 'Grade-One-athon' fundraising activity undertaken by NCO tutors, Trustees and staff during 2015. The proceeds will be distributed over time at the discretion of the Artistic Director and Principal Conductor towards: scholarships for children who might not otherwise be able to take up their places, an annual prize to a member of Under 13 Orchestra, and the purchase of musical equipment for the general benefit of current and future members of NCO orchestras.

1978 Association

This fund represents money donated by Mr John and Mrs Faith Guthrie to support the establishment of a legacy fund for the charity

General Manager

This fund represents amounts received towards the costs of the new general manager

Music support

This fund represents amounts received towards the cost of music hire

Transfers between funds

The transfers between funds represents the contribution from restricted funds towards core activities of the charity and the purchase of fixed assets, as agreed by the donor, for use in core activities.

20 Employee benefit obligations

Pension contributions amounting to £7,351 (2020: £6,745) were recognised as an expense in the SoFA in respect of the Charity's defined contribution pension scheme. These costs are charged in full to unrestricted funds.

21 Contingent liabilities

The client has an obligation under their rental lease to make good the property at the end of the lease. No provision has been made for this liability as the cost cannot be reliably quantified.

National Children's Orchestras of Great Britain
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22 Related party disclosures

During the year a number of the trustees made donations to the Charity, these were made without condition.

During the year 1 trustee was paid a total of £2,475 (2020: £1,200) for services as tutor.

The fees paid were in line with those paid to other conductors and tutors providing similar services to the Charity.

23 Deferred income

Accruals and deferred income includes the following items of income which have been deferred as at 31 December 2021:

	2021	2020
	£	£
Membership deferred at 1 January 2021	42,000	50,742
Released to income in the year	(42,000)	(50,742)
Grant funding received in advance	85,000	-
Membership deferred at 31 December 2021	468,492	42,000
	<hr/>	<hr/>
	553,492	42,000
	<hr/>	<hr/>

Membership relates to the calendar year, places are awarded at the end of the previous year and fees are often received in advance of the start of that year. In accordance with the accounting policy, membership income received in relation to the following year is deferred.

24 Post balance sheet events

The Trustees have no post balance sheet events to report.

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25 Comparatives for the statement of financial activities

	Unrestricted funds £	Restricted funds £	Total funds £
Income and Endowments from			
Donations and legacies	218,839	41,000	259,839
Charitable activities			
Auditions	-	-	-
Concerts	60	-	60
Regionals	19,081	-	19,081
Membership fees	64,500	-	64,500
Other trading activities	16,163	-	16,163
Investment income	1,202	-	1,202
Other income	21,952	-	21,952
Total	341,797	41,000	382,797
Expenditure on			
Raising funds	60,934	-	60,934
Charitable activities			
Residencies	449,072	-	449,072
Auditions	-	-	-
Concerts	410	-	410
Bursaries and scholarships	-	11,001	11,001
Regionals	34,410	-	34,410
Total	544,826	11,001	555,827
Net gains on investments	785	-	785
Net Income/(Expenditure)	(202,244)	29,999	(172,245)
Transfers between funds	1,954	(1,954)	-
Net movement in funds	(200,290)	28,045	(172,245)
Total funds brought forward	708,005	94,605	802,610
Total funds carried forward	507,715	122,650	630,365