

Company Number: 07667445
Registered Charity Number: 1143420

Sheffield Music Academy

Annual Report and Unaudited Financial Statements

For the year ended 31 July 2022

Sheffield Music Academy

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Sheffield Music Academy

Trustees' Report for the year ended 31 July 2022

Sheffield Music Academy (the Academy) is a charitable company limited by guarantee. The Directors are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 July 2022 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 the 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) issued in October 2019.

REFERENCE AND ADMINISTRATIVE DETAILS

| | | |
|---------------------------------|---|--|
| Date of incorporation | 13 June 2011 | |
| Company registration no. | 07667445 | |
| Date of registration | 17 August 2011 | |
| Charity registration no. | 1143420 | |
| Patrons | Ms E Watts Mr R Wigglesworth | |
| Trustees during period | Ms A Brumpton Ms T Cooper (Chair) Mr I Falconer (Treasurer) Ms R Mallaband Mr J Payne Ms E Pieters Ms S Unwin | <i>co-opted 05 October 2021, appointed 18 January 2021 temporarily stepped down as Chair between 28 June 2021 and 04 October 2022 and Interim Chair between 28 June 2021 and 04 October 2022 co-opted 05 October 2020, appointed 18 January 2021 co-opted 05 October 2020, appointed 18 January 2021 co-opted 04 October 2021, appointed 31 January 2022</i> |
| Music Director | Mr M Cropper | |
| General Manager | Miss J O'Neill | |
| Company Secretary | Miss J O'Neill | |
| Registered office | Office 9, Shirley House 31 Psalter Lane Sheffield, S11 8YL | |
| Independent Examiner | Sarah Lightfoot FCA, DChA, employee of VAS Community Accountancy The Circle 33 Rockingham Lane Sheffield, S1 4FW | |
| Bankers | Virgin Money (formally Yorkshire Bank) 66 Fargate Sheffield S1 2HE | Charities Aid Foundation 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4TA |

Sheffield Music Academy

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

OUR AIMS AND OBJECTIVES

Purpose and objectives

Our charity's purpose, as set out in the objects contained in the company's Memorandum of Association, is to advance the education of young people of exceptional musical ability or potential who are aged between four and 19 years in all aspects of music and musicianship. In short, Sheffield Music Academy (the Academy) exists to help young musicians fulfil their potential.

We are part of a network run under the auspices of the Department for Education's (DfE's) Music and Dance Scheme, which includes Centres for Advanced Training (CATs) in music and dance, Specialist Residential Schools and Conservatoire Junior Departments.

Our aim is to raise aspirations for young people passionate about any form of music in which they show above average aptitude, not necessarily for a career in music and the performing arts but in order that they may make the most of their skills and talents, develop their self-confidence and in their turn contribute to the musical activities of their schools and colleges, areas and communities. Our aim fully reflects the purposes that the charity was set up to further.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review covers the year ending 31 July 2022 and looks at what we achieved and the outcomes of our work during that period. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

The review also helps us ensure our aims, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Alongside continuing to provide education for talented young musicians, we have focused on finding additional ways of funding that education. The strategies we used to meet our objectives included:

- Ensuring that every student receives individual support, choosing from a number of core and optional classes at our Sheffield-based Academy which runs for 30 Saturdays during term time.
- Employing highly skilled tutors in a wide range of classical instruments.
- Providing regular opportunities to play in orchestras and ensembles.
- Organising workshops, from specialist masterclasses to intense ensemble training, welcoming experts in a range of instruments, music and health, folk music, rock, jazz and music production.
- Participating in external workshops that enable students to benefit from the Academy's close partnership with various music organisations in Sheffield and the surrounding area.
- Raising additional funds to supplement the grants made available through the Music and Dance Scheme. Grants are means tested using the Department for Education's criteria.

Sheffield Music Academy

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

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

All our charitable activities focus on the education of young people of aged between four and 19 of exceptional musical ability or potential and are undertaken to further our charitable purposes for the public benefit.

Who used and benefited from our services?

Our objects and funding enable us to provide services to students who reside mainly in a geographical area to include South Yorkshire, Derbyshire, Northeast Lincolnshire and North Nottinghamshire.

Our main achievements that delivered public benefit in 2021-22 included:

- Providing weekly lessons to 120 young musicians in the main Academy (delivered via 217 individual sessions, 40 classes, senior and junior choirs and various music groups including our Chamber Orchestra and a Concert Band of 40 students).
- Continuing to recruit staff of the highest calibre from around the UK.
- Attracting a greater number of prospective student applications from students keen to work with tutors of the highest calibre.
- Recruiting a new Trustee to the Board, expanding the skillset and knowledge of our Board to include a greater focus higher education provision and events expertise.
- Expanding our team to include additional administrative support.
- Re-establishing our busy concert series that was interrupted during the pandemic, presenting ten public performances at venues across South Yorkshire.
- Delivered in-school workshops to Key Stage 1 & 2 children.

ACADEMIC AND ARTISTIC HIGHLIGHTS OF THE YEAR ENDED 31 JULY 2022

During 2021-22 we welcomed 32 new students into the main Academy, including one Ukrainian refugee (whose place was funded by our sponsor GRI Group) and said farewell to 16 students who graduated at the end of the previous academic year. We were also joined by six new members of staff, including an SMA alumni in his third year at the Royal Northern College of Music, who helped us to further raise our standards of musicianship and teaching.

Across the year, we realised our ambitions in expanding our provision into areas that we had not previously been able to offer. The introduction of Concert Band was a particular success, with 40 students joining and performing a variety of challenging repertoire from different genres including film music and recently commissioned works by RNCM. This group has had positive feedback from students and audience members, increasing students' confidence in different styles.

We also had a number of exciting musical projects that ran throughout the year:

- Our 'Four Seasons' project showcased four of our senior violinists, accompanied by Senior Strings, who performed all four concertos by Antonio Vivaldi. Our musicians performed the complete work in three separate concerts, with a number of violinists stepping up to perform the solo parts. The students were also invited to a masterclass with one of our teachers who specialises in Baroque performance.
- Our 'World Premieres' project saw composers across the Academy writing works for string quartet which were master-classed and performed by the international ensemble, the Villiers String Quartet.
- SMA students performed at the Edale Festival, with a number of our students performing concertos or as part of the orchestra.

We trailed some outreach work in local schools, with our students performing to infant age children to inspire them to take up instruments. We intend to build on this work in the coming years.

Sheffield Music Academy

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

As Covid restrictions lifted fully we were able to reinstate the choirs. Junior Choir has 45 students, and its highlight was joining together with the Infant Academy to perform in an ensemble of 120 young musicians under the age of 13. Senior Choir worked towards a performance of Vivaldi's Gloria at the end of the year, singing with members of the wider SMA community and full orchestra.

In 2017-18 we began to pilot an Infant Academy for budding young musicians aged 6 to 8 years. We are delighted that, after just five years, the Infant Academy has moved from a pilot project with 24 students to a fully integrated part of our offer that now accepts students from age 4 to 8 years. In 2021-22 it had 82 students drawn from some 31 different schools across the region and it continued to deliver fantastic music provision, offering some classes during week as well as Saturday afternoons.

Overall, we continue to be hugely impressed by the incredible examples of creativity, positivity, commitment and dedication shown by our staff, students and their parents and guardians. It is now almost three years since the pandemic began, and we do not underestimate the physical and emotional toll that it has taken on our community. Together their response provided a perfect example of the benefits of music and the kind of transferable skills, especially problem solving, that studying music can bring. We were relieved to return fully to face to face teaching this year but the lessons we have learned about how to integrate online learning and other flexible methods of delivery mean we are confident about our ability to move a hybrid system of working, should that be required again in the future.

THE HARMONY WORKS PROJECT

In 2017 the Sheffield Music Academy joined forces with the Sheffield Music Hub to explore the creation of a permanent home for music education in the city. Both organisations are serving increasing numbers of children and young people, but each relies on renting temporary spaces, spread across the Sheffield City Region; none of which are designed for music or fit for expansion.

Harmony Works is a bold and compelling vision to create an inspirational new centre for music education and performance which will touch the lives of thousands of children and young people in the Sheffield City Region. A permanent home would provide a highly visible, accessible, physical focus for music education, open to the public and with a full array of practice, rehearsal and performance spaces not available elsewhere in the region.

Having previously identified Canada House as a suitable heritage building in the heart of Sheffield city centre and secured initial funding from the Architectural Heritage Fund to undertake viability work, we secured an option to purchase Canada House in September 2019 and exchanged contracts with its owners for its purchase in January 2021. And as our planned new home is in the Castlegate Quarter, one of the central placemaking initiatives in the City Centre Master Plan, we joined the Castlegate Partnership – a group of community, commercial, civic and cultural stakeholders working together to promote a collaborative and innovative approach to regenerating the area.

In 2021-22 our small but highly skilled and committed team of trustees, staff and partner organisations continued to make exciting progress:

- In October 2021 we were awarded £1.6 million towards the capital cost of the Harmony Works project from the Government's Levelling Up Fund, being one of three projects withing Sheffield City Council's successful Gateway bid, designed to bring economic benefits to the Castlegate Quarter and help bind its communities together.
- In July 2022, having previously appointed an impressive team of professional advisors to help us prepare the planning application and began initial architectural work, we submitted a Planning and Listed Buildings Application which was approved in November 2022. Alongside this work we concluded RIBA Stage 3 in January 2023.
- In August 2022 Brass Bands England and Music In The Round formally joined the Harmony Works partnership. Both are National Portfolio Organisations in receipt of regular funding from Arts Council England. A number of other national and local music charities have also expressed an interest in joining the project.

Sheffield Music Academy

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

And since the year-end:

- In September 2022 Sheffield City Council formally adopted the Sheffield Cultural Collective's Culture Strategy for Sheffield, which includes Harmony Works as one of four pivotal projects. The Strategy recognizes that every individual and every community in Sheffield thrives when culture, music, art and creativity is placed at the heart of the city's strategic development.
- In November 2022 we submitted a full application to the National Lottery Heritage Fund's Enterprise Fund, jointly with Sheffield City Council, and in December 2022 we were invited to submit an Expression of Interest to the Youth Investment Fund. Together these applications potentially open routes to a further £8 million of grant funding. The outcome of both applications will be known by summer 2023.

Although the project has benefited from early-stage financial support from Sheffield City Council and the Architectural Heritage Fund, and the generous pro bono support of locally based international legal advisers CMS LLP, we still require a material injection of funding to be able to complete the next stages. Only then will we be able to establish Harmony Works as a new limited company and registered charity through which the capital programme will be delivered. Critical stages remain the establishment of the new charitable body (Harmony Works Trust), funding for the capital project and the completion of the purchase of the building using Levelling Up Fund monies by March 2024. Full occupation therefore remains unlikely before 2025.

FINANCIAL REVIEW OF THE YEAR ENDED 31 JULY 2022

| | 2021-22 | | | 2020-21 | | |
|-----------------|----------------|------------------|---------------------------------------|----------------|------------------|---------------------------------------|
| | Income £ | Expenditure £ | Net movement before transfers £ | Income £ | Expenditure £ | Net movement before transfers £ |
| Core activities | 445,763 | 414,956 | 30,807 | 349,389 | 342,169 | 7,220 |
| Harmony Works | 49,340 | 143,919 | (94,579) | 95,815 | 111,377 | (15,562) |
| Total | 495,103 | 558,875 | (63,772) | 445,204 | 453,546 | (8,342) |

Core activities

Our total income for core activities in the 12-month period was £445,763, some £96,374 (28 per cent) more than we received in 2020-21. The increase was mostly due to 15 more students being enrolled in the main Academy than the previous year, a 12 per cent increase in the average bursary paid to those students supported by the DfE's Music and Dance Scheme (meaning more of our students come from lower income households), and a return to previous fundraising levels after the impact of Covid-19.

We are particularly proud that grants from the DfE, together with the bursaries that we are able to offer from our own funds, mean that some 69 per cent of the students in the main Academy receive some sort of support with their fees.

Our total expenditure on core activities was £414,956, some £72,787 (21 per cent) more than we spent in the same period last year. The increase was mostly due to the additional teaching required by the rise in student numbers. As a result of these year-on-year changes in income and expenditure, the overall net movement in our funds from unrestricted core activities was a surplus of £30,807 before transfers.

Harmony Works

We received £49,340 towards the Harmony Works project during the year, comprising restricted funds from the Architectural Heritage Fund and the Sheffield Town Trust, and the value to us of the pro-bono work undertaken on our behalf by CMS LLP and Falconer Associates Limited.

Project expenditure was £143,919, resulting in a net outflow of £94,579 before transfers to designated and restricted funds.

Sheffield Music Academy

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

By 31 July 2022 we had spent a total of £354,784 on the Harmony Works project since it began in 2017, some £39,098 more than the £316,286 we had raised from all sources by that date. The shortfall was funded by an unsecured loan of £100,000 that we took from Sheffield Council in June 2022, which is repayable in two equal instalments in June 2026 and June 2027. If the project stalls and the loan cannot be repaid from future fundraising, it will be repaid from funds which the Academy has otherwise budgeted to spend on Harmony Works in its long term Financial Strategy 2022-27.

Principal funding sources

The principal funding sources for the core activities of the charity are grants from the DfE's Music and Dance Scheme, and fees paid by parents and guardians of the Academy's students. While we remain heavily reliant on income from the Scheme (57 per cent of our core income in 2021-22, i.e., excluding grants towards the Harmony Works project), that dependence is reducing (it was 72 per cent of our income five years ago) because of concerted efforts to increase our sources of voluntary income and other grants. We are extremely grateful for the continued support of the Friends of Sheffield Music Academy, our business sponsors and local grant giving trusts.

Investment Policy

The donations we receive enable the Academy to maintain its reserves at a prudent level. Until we have sufficient funds for long-term investment, our reserves will continue to be split between two separate banks to ensure they remain protected by the Financial Services Compensation Scheme.

A small proportion of our reserves (£5,229) and a £10,000 donation received for that purpose have been invested in the purchase of several key instruments for use by students at the Academy that will hold or increase in value over the next five years

Reserves Policy

The trustees are risk averse as regards the Academy's reserves and aim to maintain sufficient free reserves in unrestricted funds (net current assets and assets that can be readily converted to cash) to ensure that the Academy's main operations can continue for a period of six months, or 26 weeks.

The annual operating cost of our core activities in 2022-23 is budgeted at £495,000. Net current assets in general funds amounted to £175,628 on 31 July 2022 and we held fixed asset instruments with a net book value of £105,635 that we considered to be readily convertible to cash, giving free reserves in unrestricted funds of £281,263. sufficient to cover our main operations for 30 weeks. And taking into consideration the potential requirement to repay the £100,000 loan from Sheffield City Council from general funds, we would still have sufficient free reserves to cover our main operations for 19 weeks.

It is reassuring that the hard work that our staff have put in means that our free reserves continue to be at the level they should be, and that gives us the confidence to continue our operations during these challenging economic times. However, we cannot rely upon reserves other than in the very short term, and so we remain focused on new ways to raise funds to ensure all our students can be supported going forward.

Going Concern

The Board is reassured that the Academy has continued to live within its means during the last three years of the pandemic, maintaining its student numbers, with no adverse impact on the quality of its activities. In July 2022 we once again approved a balanced budget for the next financial year and our latest forecast for 2022-23, based on the outturn to December 2022, confirms we remain on target to deliver it. The DfE has confirmed its support for the Music and Dance Scheme until July 2023, and we are satisfied that should the DfE grant funding no longer be available beyond 31 July 2023, the Academy's main operations could continue for at least six months, i.e., until January 2024.

For these reasons, the Board continues to adopt the going concern basis in preparing the financial statements.

Sheffield Music Academy

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

The Board also considers that the ongoing economic uncertainty resulting from Covid-19, Brexit, and the war in Ukraine is unlikely to have a material impact upon the Academy's ability to achieve its charitable objectives in the next 12 months. Nevertheless, the trustees and the Music Director will continue to monitor and respond to the risks of operating the Academy during these volatile times on an ongoing basis. The Academy has robust business continuity plans, risk management and financial management processes and so is well placed to respond to future uncertainty in a timely manner.

Events after the Reporting Period

The only significant post balance sheet event is the approval in November 2022 of the Planning and Listed Buildings Application that we submitted for Canada House for the Harmony Works project in July 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Academy is a charitable company limited by guarantee. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association which are based upon the Charity Commission's model with only very slight modification. In the event of the company being wound up its members are each required to contribute an amount not exceeding £1.

Patrons

We have two Patrons supporting Sheffield Music Academy:

- Elizabeth Watts is one of Britain's leading sopranos and is much in demand throughout the world as a recitalist and concert singer. She was a chorister at Norwich Cathedral and studied archaeology at Sheffield University before attending the Royal College of Music.
- Ryan Wigglesworth is a pianist, conductor and composer and Principal Guest Conductor of the Halle. He was born in Wincobank, Sheffield and attended King Edward VII School and was a Cathedral choirboy.

Recruitment and Appointment of Board of Trustees

There must not be less than three trustees but there is no maximum number. Trustees must retire after three years' service but may offer themselves for re-election or further co-option.

A person qualified and wishing to become a trustee must be aged 18 years or over and must either be recommended by the trustees or be nominated for election by a member of the Charity. The trustees may co-opt individuals to the Board during the year for their particular expertise (e.g., financial or legal advice) through an ordinary resolution of the Board, but a co-opted trustee holds office only until the next AGM.

Every trustee must sign a declaration of willingness to act as a charity trustee of the Charity before he or she is eligible to vote at any Board meeting.

The Trustees of the Charity for the year ended 31 July 2022 are listed on page 1. We were delighted that Sara Unwin, who we co-opted in October 2021, was formally appointed in January 2022. Sara is Public Engagement Manager at the University of Sheffield, and is highly experienced in funding, community events and partnerships. She is also a member of the Sheffield Cultural Consortium.

On 28 June 2021 Trisha Cooper temporarily handed over her duties as Chair to Ian Falconer who continued to act as Interim Chair throughout the period covered by these financial statements and until 04 October 2022. Except from her duties as Chair, we are grateful that Trisha continued to participate fully as a trustee throughout this planned period.

Sheffield Music Academy

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

The Academy's Instruments and Articles do not provide for payments to its trustees without the approval of the Charity Commission. In May 2020, having first received independent legal advice that it could satisfactorily address all the factors outlined in Charity Commission Guidance Note CC29 (Conflicts of interest: a guide for charity trustees) the Board agreed to retain one of its trustees, Emily Pieters, to act as Project Director of the Harmony Works project. The Charity Commission gave its consent to these arrangements, noting the trustees had made a strong case as to why this was in the best interests of the charity.

In particular, the Commission noted that:

- Emily would withdraw from any discussion of the trustees which has any bearing on the terms of her contract to provide project management services or the acceptability of the standard of service provided.
- She would not vote on any of those matters and will not be included when deciding whether a quorum exists at a meeting to discuss them.
- In accordance with the Academy's Conflicts of Interest Policy:
 - any payments to Emily would be disclosed in the Academy's Annual Report and Financial Statements
 - She had agreed to declare the existence of this contract in her Trustee Declaration of Interest, published on the Academy's website.

Except for Emily Pieters' work as Project Director of the Harmony Works project, all trustees give of their time freely, no other trustee remuneration or expenses were paid in the year, and no other trustees registered a conflict of interest during the year, other than those noted in note 17 of the accounts.

Organisational structure

The Board met four times during 2021-22. At its meetings the trustees agree the broad strategy and areas of activity for the Charity, including consideration of grant making, investment, reserves and risk management policies and performance.

In 2019 the Board established a Working Group to oversee the Harmony Works project. Its membership includes two trustees (Ian Falconer and Emily Pieters) and the Music Director. The Group, which met eight times during 2021-22, is advisory, with no delegated powers except the permission to approve expenditure within budgets already determined by the Board.

In January 2022, the Working Group was reorganised into a Development Board and a Project Group, both still ultimately accountable to the SMA's Board which continues to act as the project's Accountable Body. This change ensured that there remains appropriate separation between the advisory and governance aspects of the project and its day-to-day management. The new Development Board, which meets every six weeks, comprises Ian Falconer (SMA Treasurer), Professor Karen Burland (Chair of the Sheffield Music Hub), and independent advisors David Hobson and Denise Edwards. It is chaired by Ian Falconer and attendees include Emily Pieters (Project Director), the Academy's Music Director and the Hub's Head of Music Education.

Throughout 2021-22 we have continued to supplement our Board meetings with regular informal catchups with management, supporting the Music Director and his team as they determined the Academy's response to the constantly changing external environment. We are grateful for the considerable extra time that individual trustees have invested to support the charity during this period.

The day-to-day administration of the Academy's activities, including its curriculum, staffing and student recruitment is delegated to the Music Director and his small administrative team.

Risk Management

The trustees keep the major risks to which the charity is exposed under regular review and have established systems and procedures to manage them.

Sheffield Music Academy

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

The trustees consider that the Academy's major financial risks continue to be the possible loss or reduction in its major source of core funding (i.e., the grant provided by the Music and Dance Scheme), its over-reliance on that one source of funding and any unfunded liabilities arising from the Harmony Works project. Donations and grants received during the year helped to mitigate these risks, and the trustees continue to review alternative future strategies.

The unsecured loan from Sheffield City Council to provide cashflow support to the Harmony Works project presents a new financial risk to the extent that if fundraising for the project is unsuccessful, it will need to be repaid from the Academy's own funds in 2026-27. The trustees are satisfied however, having regard to the Financial Strategy 2022-27, that so long as its Reserves Policy continues to be adhered to, there will sufficient free reserves in unrestricted funds to cover the repayment of the loan.

The most significant non-financial risks are:

- *That the Academy fails to meet its legal responsibilities concerning safeguarding, data protection and employment law, and that it fails to protect its IT systems and data.* The Board includes trustees with practical experience of safeguarding and legal and data protection issues and has commissioned independent IT and estates advice that will help mitigate these risks.
- *That the Academy's teaching premises are not accessible nor fit for future purpose, in terms of capacity and quality.* In the short term we have been able to hire alternative premises for socially distanced face-to-face ensemble tuition when our usual premises have not been available. And in the longer term these risks are being addressed by the Harmony Works project, which has its own Project Risk Register. The trustees have sought advice and input from organisations and individuals who have expertise and track record in running significant capital projects and are establishing a new charitable entity and trading subsidiary for the delivery of the project, with the relevant expertise and track record.

PLANS FOR 2022-23 AND BEYOND

During the last two years we worked imaginatively to create a flexible, 'virus resilient' timetable with options that allowed us to continue our delivery of first-rate musical tuition irrespective of the current virus control measures in place. Although Covid restrictions have lifted we have retained the positive aspects of the remote provision and integrated those into our standard provision, enabling us to offer more flexible delivery in 2021-22. We look forward to building on this further in 2022-23.

Looking to the future, the Sheffield Music Academy has plans to:

- Continue to work closely with the DfE Music and Dance Scheme as it improves its processes for greater efficiency and transparency.
- Continue to grow the standard and numbers of student applications, and to further strengthen our teaching staff.
- Expand our offering to include a concert band, providing opportunities for students to experience new genres of music.
- Introduce practice and collaboration themes for all students and staff.
- Increase the provision of rare breeds of instrument, particularly the double bass.
- Introduce side-by-side performances with higher education students to build closer ties with universities and to offer different experiences for our students.
- Improve our financial resilience by building our fundraising activity and continuing to grow public profile.
- Improve our business planning and long term strategies.
- Continue to build towards the full realisation of our vision for Harmony Works.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of Sheffield Music Academy for the purposes of company law) are responsible for preparing the Trustees' Annual Report and 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 accounting period, 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.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charitable company will not continue in operation.

The trustees are responsible for keeping adequate 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 irregularities. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the Academy's website.

The Trustee's Annual Report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The company is currently exempt from a statutory audit because its annual gross income does not exceed £1 million.

Approved by the Trustees of Sheffield Music Academy on 18 January 2023 and signed on their behalf by:



Trisha Cooper

Chair

Sheffield Music Academy

Independent Examiner's report to the Trustees of Sheffield Music Academy ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Signed:



Sarah Lightfoot

Employee of:

VAS Community Accountancy
The Circle
33, Rockingham Lane
Sheffield
S1 4FW

Date:

27 January 2023

Sheffield Music Academy

Statement of financial activities

(incorporating the income and expenditure account)

For the year ended 31 July 2022

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Unrestricted funds £ | Restricted funds £ | Total 2021 £ |
|------------------------------------|-------|-------------------------|-----------------------|--------------------|-------------------------|-----------------------|--------------------|
| Income from: | | | | | | | |
| Grants and donations | 2 | 10,852 | 60,410 | 71,262 | 11,519 | 97,745 | 109,264 |
| Charitable activities | 3 | 423,126 | - | 423,126 | 335,854 | - | 335,854 |
| Investments - bank interest | | 407 | 208 | 615 | 86 | - | 86 |
| Other - profit on sale of assets | | 100 | - | 100 | - | - | - |
| | | 434,485 | 60,618 | 495,103 | 347,459 | 97,745 | 445,204 |
| Expenditure on: | | | | | | | |
| Charitable activities | 4 | 414,956 | 143,919 | 558,875 | 342,169 | 111,377 | 453,546 |
| | | 414,956 | 143,919 | 558,875 | 342,169 | 111,377 | 453,546 |
| Net income/(expenditure) | | 19,529 | (83,301) | (63,772) | 5,290 | (13,632) | (8,342) |
| Transfers | 11 | (27,110) | 27,110 | - | (7,784) | 7,784 | - |
| Gain on revaluation of fixed asset | 7 | - | - | - | - | - | - |
| Net movement in funds | | (7,581) | (56,191) | (63,772) | (2,494) | (5,848) | (8,342) |
| Total funds brought forward | | 191,017 | 20,814 | 211,831 | 193,511 | 26,662 | 220,173 |
| Total funds carried forward | | 183,436 | (35,377) | 148,059 | 191,017 | 20,814 | 211,831 |

Sheffield Music Academy

Balance Sheet
As at 31 July 2022

| | Notes | Total 2022 £ | Total 2021 £ |
|---|-----------|--------------------|--------------------|
| Fixed assets | 7 | <u>106,850</u> | <u>97,663</u> |
| Current assets | | | |
| Debtors | 8 | 39,870 | 33,976 |
| Cash at bank and in hand | | 165,526 | 131,305 |
| Total current assets | | <u>205,396</u> | <u>165,281</u> |
| Creditors: amounts falling due within one year | 9 | (63,866) | (51,113) |
| Net current assets | | <u>141,530</u> | <u>114,168</u> |
| Total assets less current liabilities | | <u>248,380</u> | <u>211,831</u> |
| Creditors: amounts falling due after more than one year | 10 | (100,321) | - |
| Total net assets | | <u>148,059</u> | <u>211,831</u> |
| Represented by: | | | |
| Funds of the Charity | | | |
| General Funds | | 149,878 | 139,071 |
| Designated funds | 12 | 1,279 | 19,667 |
| Revaluation Reserve | 13 | 32,279 | 32,279 |
| Unrestricted Funds Total | | <u>183,436</u> | <u>191,017</u> |
| Restricted Funds | 14 | (35,377) | 20,814 |
| Total Funds | 15 | <u>148,059</u> | <u>211,831</u> |

For the year ending 31 July 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The director's acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

Approved by the Trustees of Sheffield Music Academy on 18 January 2023 and signed on their behalf by:

Trisha Cooper
Chair
Sheffield Music Academy

Notes to the Accounts
For the year ended 31 July 2022

1 Accounting Policies

(a) General

Sheffield Music Academy is a charitable company in the United Kingdom limited by guarantee. In the event that the charity is wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and with the Charities Act 2011. The financial statements have taken advantage of the exemption to prepare a Statement of Cash Flows.

Sheffield Music Academy meets the definition of a public benefit entity under FRS 102. The financial statements are prepared under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and are rounded to the nearest £.

(b) Income

Income is recognised when the organisation 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.

(c) Donated goods and services

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(d) Expenditure and irrecoverable VAT

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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

(f) Tangible fixed assets

Depreciation has been calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets over their expected useful lives, as follows:

| | |
|------------------------|---|
| Instruments collection | At valuation |
| Working instruments | 10 years straight line or no depreciation |
| Office equipment | 5 years straight line |

The Trustees have undertaken to carry out an impairment review of the Instruments collection each year, to ensure no significant factor has affected the value during the year. In addition to this, all the instruments in the Instruments collection will be revalued by an expert every 3-5 years with any movement in the valuation being reflected in the asset valuation and the revaluation reserve.

(g) Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables.

(h) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Sheffield Music Academy

Notes to the Accounts - continued
For the year ended 31 July 2022

1. Accounting Policies - continued

(i) 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 loans which are subsequently measured at amortised cost using the effective interest method.

(j) Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the organisation without further specified purpose and are available as general funds.

Designated funds are funds set aside at the discretion of the trustees for a specific project.

Restricted funds are to be used for specific purposes as laid down by the funder.

(k) Taxation

As a charity, Sheffield Music Academy is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

(l) Pension costs and other post-retirement benefits

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

(m) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Income from grants and donations

| | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ |
|--|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Concert Donations | 786 | - | 786 | 262 | - | 262 |
| Friends of Sheffield Music Academy | - | - | - | - | - | - |
| Other Donations | 2,566 | 10,000 | 12,566 | 2,942 | - | 2,942 |
| GRI Group | 7,500 | - | 7,500 | 5,000 | - | 5,000 |
| Sheffield City Council - coronavirus business grant scheme | - | - | - | 3,315 | - | 3,315 |
| Bursaries | | | | | | |
| The Amber Trust | - | 1,278 | 1,278 | - | 1,930 | 1,930 |
| Harmony Works | | | | | | |
| Architectural Heritage Fund | - | 20,132 | 20,132 | - | 61,315 | 61,315 |
| Sheffield Town Trust | - | 3,500 | 3,500 | - | - | - |
| CMS LLP - donation in kind | - | 14,850 | 14,850 | - | 26,000 | 26,000 |
| Falconer Associates Ltd | - | 650 | 650 | - | 3,500 | 3,500 |
| Anonymous donation | - | 10,000 | 10,000 | - | - | - |
| Sheffield City Council - Harmony Works | - | - | - | - | 5,000 | 5,000 |
| | 10,852 | 60,410 | 71,262 | 11,519 | 97,745 | 109,264 |

3. Income from charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ |
|---------------------------------------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Fees paid by Department for Education | 252,773 | - | 252,773 | 224,444 | - | 224,444 |
| Fees paid by parents | 155,419 | - | 155,419 | 110,293 | - | 110,293 |
| Artistic Projects | 13,619 | - | 13,619 | - | - | - |
| Instrument Hire | 1,315 | - | 1,315 | 835 | - | 835 |
| Other income | - | - | - | 282 | - | 282 |
| | 423,126 | - | 423,126 | 335,854 | - | 335,854 |

Notes to the Accounts - continued
For the year ended 31 July 2022

4 Expenditure on charitable activities

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total 2022 £ | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ |
|--|------|----------------------------|--------------------------|--------------------|----------------------------|--------------------------|--------------------|
| Permanent staff costs | 5 | 302,254 | 16,125 | 318,379 | 280,951 | 23,311 | 304,262 |
| Temporary staff and deputies | | 35,231 | - | 35,231 | 3,567 | - | 3,567 |
| Academic costs | | 29,987 | - | 29,987 | 21,449 | - | 21,449 |
| Staff training | | 282 | - | 282 | 1,071 | - | 1,071 |
| Rent and premises costs | | 14,969 | - | 14,969 | 9,098 | - | 9,098 |
| Artistic project expenditure | | 5,164 | - | 5,164 | 1,617 | - | 1,617 |
| Administration costs | | 7,878 | - | 7,878 | 6,585 | - | 6,585 |
| Marketing | | 2,242 | - | 2,242 | 1,936 | - | 1,936 |
| Insurance | | 1,639 | - | 1,639 | 475 | - | 475 |
| Depreciation | 8 | 4,761 | - | 4,761 | 4,304 | - | 4,304 |
| Bank charges | | 215 | - | 215 | 90 | - | 90 |
| Bad debts (written off) or provision made | | 4,088 | - | 4,088 | 5,638 | - | 5,638 |
| Independent examination fee | 7 | 2,100 | - | 2,100 | 2,100 | - | 2,100 |
| Department for Education grant audit | | 1,230 | - | 1,230 | 960 | - | 960 |
| Payroll services (including pension charges) | | 2,916 | - | 2,916 | 2,328 | - | 2,328 |
| Legal and professional fees | | - | - | - | - | - | - |
| Harmony Works feasibility project | | - | 127,473 | 127,473 | - | 88,066 | 88,066 |
| Loan interest | | - | 321 | 321 | - | - | - |
| Total charitable expenditure | | 414,956 | 143,919 | 558,875 | 342,169 | 111,377 | 453,546 |

5 Staff Costs

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Salaries | 306,602 | 292,999 |
| Employer's national insurance contributions | 9,108 | 8,837 |
| Employer's pension contributions | 2,669 | 2,426 |
| | 318,379 | 304,262 |

The average number of monthly employees was 35 (2021: 32). No employee received emoluments of more than £60,000 in the year.

6 Fees paid to independent examiner's organisation

| | 2022 £ | 2021 £ |
|--------------------------------------|--------------|--------------|
| Independent examination fee | 2,100 | 2,100 |
| Other fees paid: | | |
| Department for Education grant audit | 1,230 | 960 |
| Payroll | 2,916 | 2,328 |
| Software licence | 270 | 252 |
| | 4,416 | 3,540 |

Notes to the Accounts - continued
For the year ended 31 July 2022

7 Tangible Fixed Assets

| | Instrument collection | Working instruments | Office equipment | Total |
|--------------------------|--------------------------|------------------------|---------------------|----------------|
| | £ | £ | £ | £ |
| Cost or Valuation | | | | |
| As at 1 August 2021 | 40,000 | 95,440 | 4,988 | 140,428 |
| Additions | - | 15,229 | 1,519 | 16,748 |
| Disposals | - | (2,900) | - | (2,900) |
| As at 31 July 2022 | <u>40,000</u> | <u>107,769</u> | <u>6,507</u> | <u>154,276</u> |
| Depreciation | | | | |
| As at 1 August 2021 | - | 37,777 | 4,988 | 42,765 |
| Depreciation charge | - | 4,357 | 304 | 4,661 |
| Disposals | - | - | - | - |
| As at 31 July 2022 | <u>-</u> | <u>42,134</u> | <u>5,292</u> | <u>47,426</u> |
| Net Book Value | | | | |
| As at 31 July 2022 | <u>40,000</u> | <u>65,635</u> | <u>1,215</u> | <u>106,850</u> |
| As at 31 July 2021 | <u>40,000</u> | <u>57,663</u> | <u>-</u> | <u>97,663</u> |

Working instruments include 15 instruments that are considered to hold their value - therefore no depreciation has been charged on these assets.

8 Debtors

| | 2022 | 2021 |
|--|---------------|---------------|
| | £ | £ |
| Fees payable by Department for Education | 12,750 | 11,850 |
| Fees payable by parents | 21,616 | 9,298 |
| Other debtors | 689 | - |
| Prepayments | 4,815 | 12,828 |
| | <u>39,870</u> | <u>33,976</u> |

9 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|---------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 30,831 | 17,254 |
| July Salaries | 23,107 | 23,489 |
| Other taxes and social security | 2,647 | 3,520 |
| Other creditors | 574 | 651 |
| Accruals | 6,707 | 6,199 |
| | <u>63,866</u> | <u>51,113</u> |

10 Creditors: amounts falling due after more than one year

| | 2022 | 2021 |
|-------|----------------|----------|
| | £ | £ |
| Loans | 100,321 | - |
| | <u>100,321</u> | <u>-</u> |

The loan is an unsecured loan from Sheffield City Council to support the expenditure of the Harmony Works project. The loan is repayable in two equal instalments in June 2026 and June 2027. Interest is accrued on a daily basis at 2.55% per annum.

Notes to the Accounts - continued
For the year ended 31 July 2022

11 Harmony Works

| | Restricted Fund Note 14 £ | Designated Fund Note 12 £ | Total Funds £ |
|--|------------------------------------|------------------------------------|---------------------|
| Income from grants and donations | 49,340 | - | 49,340 |
| Expenditure on charitable activities | (143,919) | - | (143,919) |
| Net income/(expenditure) | <u>(94,579)</u> | <u>-</u> | <u>(94,579)</u> |
| <u>Transfers</u> | | | |
| SMA contribution set aside re match funding for the year | - | 20,000 | 20,000 |
| Use of SMA contribution on expenditure during the year | 38,388 | (38,388) | - |
| Total transfers | <u>38,388</u> | <u>(18,388)</u> | <u>20,000</u> |
| Net movement in funds | (56,191) | (18,388) | (74,579) |
| Fund balances brought forward | 15,814 | 19,667 | 35,481 |
| Fund balances carried forward | <u>(40,377)</u> | <u>1,279</u> | <u>(39,098)</u> |

Restricted fund - grants provided by external funders, and project expenditure. Cashflow is supported by a £100,000 loan from Sheffield City Council, as detailed in the Trustees' Report

Designated fund - funds set aside by the trustees for match funding

Cumulative analysis of Harmony Works Project - started in 2018/19

| | Restricted Fund £ | Designated Fund £ | Total Funds £ |
|--|-------------------------|-------------------------|---------------------|
| Income from grants and donations | 256,286 | - | 256,286 |
| Expenditure on charitable activities | (354,752) | (32) | (354,784) |
| Net income/(expenditure) | <u>(98,466)</u> | <u>(32)</u> | <u>(98,498)</u> |
| <u>Transfers</u> | | | |
| Cumulative SMA contributions set aside for project | - | 60,000 | 60,000 |
| Cumulative SMA contributions spent on project | 58,089 | (58,089) | - |
| Use of SMA contribution on 2018 expenditure previously funded from general funds | - | (600) | (600) |
| Total transfers | <u>58,089</u> | <u>1,311</u> | <u>59,400</u> |
| Net movement in funds (and position) as at 31 July 2022 | <u>(40,377)</u> | <u>1,279</u> | <u>(39,098)</u> |

12 Designated funds

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|---------------|-------------------------|-------------|------------------|-----------------|-------------------------|
| Harmony Works | 19,667 | - | - | (18,388) | 1,279 |
| | <u>19,667</u> | <u>-</u> | <u>-</u> | <u>(18,388)</u> | <u>1,279</u> |

The trustees set aside a further £20,000 in the 21/22 financial year towards the match funding element of the feasibility stage of the Harmony Works project (see the trustees' report for further detail). £38,388 was transferred into the restricted fund for the match funding of expenditure in the financial year, leaving a balance of £1,279 carried forwards for future costs.

Prior year comparison

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|---------------|-------------------------|-------------|------------------|----------------|-------------------------|
| Harmony Works | 9,381 | - | - | 10,286 | 19,667 |
| | <u>9,381</u> | <u>-</u> | <u>-</u> | <u>10,286</u> | <u>19,667</u> |

The trustees determined to set aside £20,000 in the 20/21 financial year towards the match funding element of the feasibility stage of the Harmony Works project (see the trustees' report for further detail). £9,714 was transferred into the restricted fund for the match funding of expenditure in the financial year, leaving a balance of £19,667 carried forwards for future costs.

Sheffield Music Academy

Notes to the Accounts - continued
For the year ended 31 July 2022

13 Revaluation reserve

| | 2022 £ | 2021 £ |
|-------------------------------------|---------------|---------------|
| Revaluation reserve brought forward | 32,279 | 32,279 |
| Revaluation during the year | - | - |
| Revaluation reserve carried forward | <u>32,279</u> | <u>32,279</u> |

14 Restricted funds

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|------------------------------|-------------------------|---------------|------------------|----------------|-------------------------|
| Ensemble 360 Academy Project | 5,000 | - | - | - | 5,000 |
| Harmony Works | 15,814 | 49,340 | (143,919) | 38,388 | (40,377) |
| Bursaries | - | 1,278 | - | (1,278) | - |
| Instrument purchase | - | 10,000 | - | (10,000) | - |
| | <u>20,814</u> | <u>60,618</u> | <u>(143,919)</u> | <u>27,110</u> | <u>(35,377)</u> |

Ensemble 360 Academy Project

This project is funded by Sheffield Town Trust, The Freshgate Trust Foundation and JG Graves Charitable Trust. The project was due to take place in the financial year 2019-20, but remains postponed due to COVID-19.

Harmony Works

Money is being raised towards the feasibility stage of the Harmony Works project (see the trustees' report for further detail). The negative fund balance is supported by a £100,000 loan from Sheffield City Council - see notes 10 and 11.

Bursaries

This fund represents monies given to the Academy to provide additional funding to those students that demonstrate a clear need for tuition fee support. The Academy has provided discounted fees to a number of students which totalled £1,278 this year, which has therefore been transferred to unrestricted funds.

Instrument purchase

Monies given to fund instrument purchases. The instruments bought have no restrictions on their use, and so the monies have been transferred to the unrestricted funds.

| <i>Prior year comparison</i> | <i>Brought forward £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Carried forward £</i> |
|-------------------------------------|----------------------------------|---------------------|--------------------------|------------------------|----------------------------------|
| <i>Ensemble 360 Academy Project</i> | 5,000 | - | - | - | 5,000 |
| <i>Harmony Works</i> | 21,662 | 95,815 | (111,377) | 9,714 | 15,814 |
| <i>Bursaries</i> | - | 1,930 | - | (1,930) | - |
| | <u>26,662</u> | <u>97,745</u> | <u>(111,377)</u> | <u>7,784</u> | <u>20,814</u> |

Ensemble 360 Academy Project

This project is funded by Sheffield Town Trust, The Freshgate Trust Foundation and JG Graves Charitable Trust. The project was due to take place in the financial year 2019-20, but was cancelled due to COVID-19.

Harmony Works

Money is being raised towards the feasibility stage of the Harmony Works project (see the trustees' report for further detail).

Bursaries

This fund represents monies given to the Academy to provide additional funding to those students that demonstrate a clear need for tuition fee support. The Academy has provided discounted fees to a number of students which totalled £1,930 this year, which has therefore been transferred to unrestricted funds.

Notes to the Accounts - continued
For the year ended 31 July 2022

15 Analysis of net assets between funds

| | General Funds £ | Designated Funds £ | Restricted Funds £ | Total 2022 £ |
|---|--------------------------------|-----------------------------------|-----------------------------------|-----------------------------|
| Tangible fixed assets | 106,850 | - | - | 106,850 |
| Current assets | 211,461 | 1,279 | (7,344) | 205,396 |
| Creditors: amounts falling due within one year | (35,833) | - | (28,033) | (63,866) |
| Creditors: amounts falling due after more than one year | - | - | (100,321) | (100,321) |
| | 282,478 | 1,279 | (135,698) | 148,059 |
| <i>Prior year comparison</i> | <i>General Funds £</i> | <i>Designated Funds £</i> | <i>Restricted Funds £</i> | <i>Total 2021 £</i> |
| <i>Tangible fixed assets</i> | <i>97,663</i> | <i>-</i> | <i>-</i> | <i>97,663</i> |
| <i>Current assets</i> | <i>110,411</i> | <i>19,667</i> | <i>35,203</i> | <i>165,281</i> |
| <i>Creditors: amounts falling due within one year</i> | <i>(36,724)</i> | <i>-</i> | <i>(14,389)</i> | <i>(51,113)</i> |
| | 171,350 | 19,667 | 20,814 | 211,831 |

16 Trustees and key management remuneration, benefits and expenses

The trustees were not paid or received any other benefits from employment with the charity in the year for their role as trustees (2021: £nil). No trustees were reimbursed expenses during the year (2021: £nil).

Emily Pieters, trustee, received payment of £7,000 in the year for being the project manager of the Harmony Works project (2021: £7,000). Permission was obtained from the Charity Commission to make these payments as required by the constitution.

No other charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Key management, consisting of trustees and the Music Director, received total employee benefits of £48,176 during the year (2021: £49,299 - the Music Director was paid for an additional 0.5 days per week during 20/21).

17 Related Party Transactions

Falconer Associates Limited, a company owned by trustee Ian Falconer and his wife, provided pro-bono PR advice of £650 to the Harmony Works project during the year (2021: £3,500).

There were no other related party transactions other than those listed above and in note 16.