

Charity Registration No. 1016699

Company Registration No. 02766194 (England and Wales)

**THE INSTITUTE OF PROFESSIONAL SOUND
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

THE INSTITUTE OF PROFESSIONAL SOUND

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The trustees are also directors of the charity for the purposes of the Companies Act 2006. The trustees' report contains a directors' report as required by company law.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to promote the widest understanding of professional audio in all its contexts and to promote the cultural and educational benefits resulting from producing sound of high technical and artistic quality; in particular, by encouraging the maintenance of the highest professional standards among sound operations personnel, securing improvements in the art and technique of operational sound resulting in such cultural and educational benefits, promoting and publishing the relevant results of experiment and research designed to secure such improvements, and providing a forum for the exchange of information.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In performing our activities we have considered the Charity Commission's general guidance on public benefit per our duty outlined in s17(5) of the Charities Act 2011.

Significant activities

To maintain the highest standards of audio in UK broadcasting and associated media by the means of example, training and education.

Achievements and performance

Membership of the IPS:

The membership is drawn primarily from audio professionals working in operational posts within the UK audio industry and related professional audio fields. There are a number of members from Europe and the rest of the world who share the same aims and ideals as those members in the UK.

The IPS has three main categories of member - Full, Affiliate and Student. The category of Affiliate also caters for those in related industries, for example, manufacturing and further education establishments who have expressed an interest in the work of the IPS and wish to be associated with it. Student members are those who are still receiving formal education on a full-time course or other relevant studies.

From the foregoing it will be seen that membership of the IPS is open initially to a wide group of individuals with a common interest in audio. Much of what IPS produces is also available to the public through the website and publications.

Funding of the IPS:

The primary source of funding for the organisation is by annual subscription. There is an additional source of income provided by commercial companies who wish to be associated with the activities of the IPS and have become Sponsor Companies of the Institute.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Financial review

Financial position

The trustees are pleased with the progress achieved in reviewing its financial position and implementing changes to its operational focus. Finances and activities are regularly monitored and sufficient reserves held to cover short term needs.

During the year under review the trustees recognise that face to face members' meetings have not been possible due to Covid-19 restrictions. In an effort to continue to provide information and knowledge to the membership the trustees have undertaken a number of successful webinars during the year. These have been viewed by a large number of members, as well as interested guests, and have proved a positive way of continuing to support the membership.

The trustees have also waived members' subscriptions where the member concerned expressed financial hardship due to the Covid-19 restrictions limiting employment opportunities.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

The original deed was dated January 1993 and was updated in April 2018.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

M J Felton
E J Willett
R K Graham
R W G Conduct
S J Bishop
G M Clarke
C M Macnab
M L Willcox
S M H Clark
N Richardson
G Hewis
J P C Gough

Any person who is a Full Member of the Institute and is willing to act as an Executive Committee member, and is permitted by law to do so, may be appointed to the Executive Committee -

- (a) by ordinary resolution passed at the Annual General Meeting of the Institute or
- (b) by a decision (invitation) of the existing Executive Committee.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Committee may from time to time, and at any time, co-opt any Full Member of the Institute as a member of the Executive Committee, either to fill a casual vacancy or by way of addition to the Executive Committee, provided that there shall not be more than 10 co-opted members of the Executive Committee at any one time. Any member so appointed shall retain their office only until the next Annual General Meeting, but they shall then be eligible for election.

No person who is not a Full Member of the Institute shall in any circumstances be eligible to hold office as a member of the Executive Committee.

The Executive Committee shall, from their number, appoint the officers of the Institute as they see fit.

The IPS is governed by its Memorandum and Articles of Association which sets out the agenda for the trustees. The trustees are all members of the Executive Committee of the IPS led by their Chairman. All the members of the Executive Committee (EC) are drawn from the membership of the organisation and are elected annually at the AGM by the membership, as laid down in the Memorandum and Articles of Association. All EC members and their Chairman operate in a purely voluntary manner without financial reward, save for the reimbursement of reasonable expenses incurred in the performance of their duties for the Committee. The daily administration of the organisation is undertaken by the Secretariat, currently one individual working on a part-time basis, for which he is remunerated accordingly.

The trustees' report was approved by the Board of Trustees.



Mr M Johnson

Secretary

Dated: 29.06.21.....

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of The Institute of Professional Sound for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE INSTITUTE OF PROFESSIONAL SOUND

I report to the trustees on my examination of the financial statements of The Institute of Professional Sound (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Richard Hutchinson - FCCA
Azets
24 Park Road South
Havant
Hampshire
PO9 1HB
United Kingdom

Dated:

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Donations and legacies	2	45,299	46,720
Charitable activities	3	3,000	9,700
Investments	4	11	37
		<hr/>	<hr/>
Total income		48,310	56,457
<u>Expenditure on:</u>			
Raising funds	5	482	10,284
		<hr/>	<hr/>
Charitable activities	6	30,463	107,076
		<hr/>	<hr/>
Total resources expended		30,945	117,360
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		17,365	(60,903)
Fund balances at 1 April 2020		16,826	77,729
		<hr/>	<hr/>
Fund balances at 31 March 2021		34,191	16,826
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		-		226
Current assets					
Cash at bank and in hand		36,763		19,054	
Creditors: amounts falling due within one year	10	(2,572)		(2,454)	
Net current assets			34,191		16,600
Total assets less current liabilities			34,191		16,826
Income funds					
Unrestricted funds			34,191		16,826
			34,191		16,826

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on .. 29/06/21



S M H Clark
Trustee

Company Registration No. 02766194

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Institute of Professional Sound is a private company limited by guarantee incorporated in England and Wales. The registered office is 24 Park Road South, Havant, Hampshire, PO9 1HB, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements contain information about The Institute of Professional Sound as an individual company.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

During the year, and ongoing, the nation has been affected by the COVID-19 virus. This has impacted on the Charity's short-term operations and trading activities, as outlined in the Trustees' report.

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

The charity does not have any restricted funds at the balance sheet date.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income is the amounts derived from the provision of goods and services.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Taxation

The charity is exempt from corporation tax on its charitable activities.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Membership fees	45,299	46,720

3 Charitable activities

	Trading activities	Trading activities
	2021	2020
	£	£
Other income	3,000	9,700

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	11	37

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Depreciation and impairment	226	227
<u>Trading costs</u>		
Other trading activities	-	9,811
Support costs	256	246
Trading costs	256	10,057
	482	10,284

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Raising funds

(Continued)

6 Charitable activities

	Trading activities 2021 £	Trading activities 2020 £
Share of support costs (see note 7)	25,847	36,223
Share of governance costs (see note 7)	4,616	70,853
	<u>30,463</u>	<u>107,076</u>

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Meetings	1,290	-	1,290	6,931	-	6,931
Executive committee	1,046	-	1,046	766	-	766
Business services	18,645	-	18,645	20,450	-	20,450
Telephone and postage	1,676	-	1,676	1,036	-	1,036
Website and email costs	2,165	-	2,165	2,701	-	2,701
Exhibitions and promotional	977	-	977	4,274	-	4,274
Bank charges	48	-	48	65	-	65
Insurance	256	-	256	246	-	246
Accountancy fees	-	4,116	4,116	-	2,558	2,558
Bookkeeping	-	500	500	-	500	500
Inter company loan written off	-	-	-	-	67,793	67,793
Investment written off	-	-	-	-	2	2
	<u>26,103</u>	<u>4,616</u>	<u>30,719</u>	<u>36,469</u>	<u>70,853</u>	<u>107,322</u>
Analysed between						
Trading	256	-	256	246	-	246
Charitable activities	25,847	4,616	30,463	36,223	70,853	107,076
	<u>26,103</u>	<u>4,616</u>	<u>30,719</u>	<u>36,469</u>	<u>70,853</u>	<u>107,322</u>

Governance costs includes payments for Independent examination fees of £200 (2020- £200).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Tangible fixed assets

Fixtures and fittings
£

Cost

At 1 April 2020 14,339

At 31 March 2021 14,339

Depreciation and impairment

At 1 April 2020 14,113

Depreciation charged in the year 226

At 31 March 2021 14,339

Carrying amount

At 31 March 2020 226

10 Creditors: amounts falling due within one year

2021 2020
£ £

Accruals and deferred income 2,572 2,454

11 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).