

Registered number: 02868675  
Charity number: 1034374

# **DRAKE MUSIC**

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

# DRAKE MUSIC

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## Legal & Administrative Details

Chairman	C de Swiet
Trustees	C de Swiet J A Bickerton A Gowan-Webster - <i>Treasurer</i> E Salmon J Stodd
Chief executive	N Mellor
Founder	A Drake, FRSA
Company registered number	02868675
Charity registered number	1034374
Registered office	Richmix 35-47 Bethnal Green Road London E1 6LA
Independent Examiner	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Bankers	CAF Bank Limited Kings Hill West Malling Kent ME19 4TA
Solicitors	Russell-Cooke LLP 2 Putney Hill London SW15 6A

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# DRAKE MUSIC

## TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023

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### Chairs Report

Driving our way through the past two years and securing the successful future of Drake Music has been our focus this year.

We are no exception in this struggle, but I am pleased to report that we have managed our way through this difficult time and are now looking forward to the time when we are thinking less about survival, and more about the joy of the work we do.

We must recognise that everyone we work with has been through similar struggles, including a variety of partner organisations, staff, freelance musicians, and the many artists and beneficiaries of our services. However, the strength of conviction from our delivery team has been outstanding and fantastic work has continued throughout.

Our sincere thanks go to our funders who continue to support us, Arts Council England, Youth Music, Esmée Fairbairn, Clothworkers and so many other trusts and foundations. Our successes include our DM Collective, Artist in Residence programme, Think 22, DMLab in London and the Northwest, and the collaborative work between many gifted disabled artists. Programmes with schools and orchestras, Learning and Participation, Arts Collaboration and many other National and International creative relationships are flourishing.

Our commitment to the Social Model of Disability is at the forefront of all that we do. We have undertaken operational and cultural reviews of what is expected of us by those we serve. A survey of stakeholders and found that above all else people felt that Access and Wellbeing are priority investment areas for our charity. We must become more effective at removing the barriers that disabled people face when they work with us.

During the spring this year, our CEO Carien Meijer, decided that after 16 very successful years in post, that it was time for change. Carien, stepped down on the 30th September 2022, but will continue to support Drake Music whilst we search for someone new to lead Drake Music into its exciting and creative future.

In November 2022 Drake Music received the extremely positive news that it's application to the Arts Council England for NPO funding for an additional three years had been accepted.

This news has come at a pivotal moment in the Charity's history. It provides the foundation on which to rebuild, redefine and push forward our ambition to create an inclusive musical landscape for everyone. As a result, we are extremely positive about the next chapter in the life of Drake Music and look forward to seeing the positive impact this unique and vital organisation delivers to those it is here to serve.

Charles de Swiet

Chair

# **DRAKE MUSIC**

## **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees, who are directors for the purposes of company law, present their Annual Report together with the financial statements for the year ended 31 March 2023.

### **Objectives and activities**

Drake Music (DM) are leaders in music, disability and technology. We are a national organisation, making innovative and imaginative use of technology to remove disabling barriers to music-making. We are innovators, educators, makers, curators and advocates. We believe everyone has the right to express themselves creatively through music.

Our vision is a world where Disabled people have the same range of opportunities as non-Disabled people, and a culture of music-making where Disabled and non-Disabled musicians of all ages participate, collaborate, create and perform as equals; and where equality, access and inclusion are the norm. We put quality music-making at the heart of everything we do, connecting people locally, nationally and internationally.

We explore, develop and test different ways of working at the intersection of music, disability and technology, breaking new ground in terms of artistic and participatory practice. Our work is underpinned and shaped by the Social Model of Disability.

DM is governed by a Disabled-led board of Trustees, who attend quarterly Board Meetings. The Finance Committee, chaired by our Treasurer, meets quarterly. DM has a Trustee lead for Equality, Diversity & Inclusion and a Trustee Lead for Safeguarding. The CEO – accountable to the Board - is responsible for the day-to-day direction and leads a skilled team of staff and associates.

Our central office is at Rich Mix Cultural Foundation in East London. Our programmes and projects are delivered across the country by a team of staff and associates, often in partnership with local and regional organisations. We support a thriving volunteer community of instrument makers, coders and Disabled musicians in Manchester and London. In addition to delivering activities in regional hubs, we will continue to work in partnership with artistic & learning communities and colleagues across the country and internationally to ensure the widest possible reach of disabled musicians of all ages.

During 22/23, we continued to deliver a range of work online and continued to develop and deliver a cohesive participatory, training, artistic and research programme that, while innovative and pushing the boundaries of what is possible, constantly checks in with disabled musicians and other stakeholders to ensure that our outcomes are needs-driven.

### **Strategic Objectives**

Our overall direction, practice and programmes are underpinned by the following strategic objectives:

1. Disabled musicians, learners, producers, managers, makers and curators are at the heart of our research, artistic, training & participatory practice.
2. Be at the forefront of and lead on artistic, participatory and technological developments and innovation within our field, sharing our practice nationally and internationally.
3. Facilitate, champion and advocate for equality, access, authenticity and inclusion, across the workforce, our programmes and practice
4. To be a resilient, sustainable and flexible business, relevant and responsive to the communities we serve.

# **DRAKE MUSIC**

## **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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### **Short Term Aims**

In order to meet our long-term strategic goals, we have a number of short-term aims:

- To significantly increase the visibility, presence and engagement of disabled musicians, trainers, producers, and managers at all levels of our organisation.
- To commission new work by emerging, mid-career and established disabled artists.
- To strengthen and develop our operational effectiveness in all areas.
- To engender a cohesive culture of teamwork and a sense of belonging for all.
- To ensure that access requirements are constantly monitored and responded to.
- To further develop, diversify and strengthen the trustee, staff and associate team.
- To further consolidate our reserves and ensure that Drake Music continues to operate on a sound financial footing.

### **Governance**

Drake Music is a registered charity and a company limited by guarantee. Our governing document is the Memorandum and Articles of Association, last amended on 10th November 2008, which states that Drake Music's object is 'the advancement of the education of Disabled people of all ages in the Arts, and in particular the art of music'. Our governing body is a Board of Trustees, including a Chair and a Treasurer.. Details of the legal and administrative information can be at the start of the annual report and accounts.

### **Our powers are to:**

- Provide Disabled people of any age with progression pathways into music, through the innovative and imaginative use of technology and other creative ways;
- Widen access to music, engendering genuine musical development and increasing the number of confident Disabled musicians at every level;
- Empower Disabled musicians and develop their capabilities to pass skills on to others, thereby encouraging equality of participation and collaboration in music-making; between Disabled and non-Disabled artists;
- Explore, research and develop new ways of working, music-making, use of technology and develop and share good practice.

The trustees have referred to the guidance of the Charity Commission on public benefit, including the guidance Public benefit: running a charity (PB2), in undertaking our activities and in the planning of our future initiatives. We believe that all the work we undertake demonstrates a clear benefit to the public which is in line with our charitable objects and our strategic objectives.

### **Activities**

In order to deliver our strategic objectives, our approach includes partnership-working with a broad range of individuals and organisations including schools, universities, arts organisations, local authorities, music services, software and hardware developers as well as musicians, technologists, composers and artists from other disciplines. Our aim is to share our knowledge and expertise widely to advocate for equality and diversity, and to improve access to music-making across the board.

In service of our strategic objectives, we have undertaken several significant activities – these included

- Engaging in debate and dialogue about music made by Disabled musicians and their allies, and advocating for access, inclusion, and progression in music-making at the highest levels.
- Working internationally to deliver social model training and accessible music-making workshops.
- Working strategically with Music Education Hubs, Youth Music and other key partners to ensure Disabled children and young people across the country can access and progress in music-making.

# DRAKE MUSIC

## TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023

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- Commissioning new work and increasing the profile and exposure of work created by Disabled musicians, composers, sound artists.
- Appointment of three part-time Artists in Residence for a 10-month period
- Employing Disabled musicians to lead on projects in participatory settings, to draw inspiration for their own work and to act as role models for young, aspiring musicians.
- Investing in DM Collective, a talent development programme through commissioning of new work by a diverse range of Disabled musicians/artists and creating opportunities for performance.

### **Appointment and induction of Trustees**

Our aim is to have nine Board members in place. However, we are currently recruiting for new trustees.

Trustee posts are advertised in the usual way, using Drake Music's recruitment guidelines for diverse advertising, and encouraging applicants from under-represented groups.

New board members receive some governance training & induction. They also receive an induction pack, which includes policies relevant to board members and current best practice documents such as Good Governance: a code for the voluntary and community sector. We also encourage on-going training for Trustees such as an introduction to finance.

### **Decision Making**

The Trustees are ultimately responsible for setting the strategy of the organisation. The CEO is responsible for the delivery of the strategy.

### **Staff remuneration**

All senior personnel appointments, including setting pay and remuneration, are ratified by the Board of Trustees.

Drake Music looks to other charities for benchmarking to see what they pay for equal positions at role creation.

### **Risk Management**

The trustees have a risk mapping system in place that is reviewed at their quarterly Board meetings.

An annual review of risk is undertaken by the executive team and presented to the Board. This informs the risk map and covers the following areas:

- Financial: income generation and cash flow sensitivity, reserves.
- Organisational capacity and infrastructure.
- Governance: succession planning for chair and other trustees, capability.

#### *Financial Risks*

One of the main financial risks to the organisation is that the Arts Council of England become unable or unwilling to continue funding Drake Music as a National Portfolio Organisation. The most likely reasons for this are that they must make cuts due to government mandate or that they withhold funding due to concerns about governance or execution. Whilst we have less direct influence on government mandated cuts, we can, and are, mitigating against the impact of such cuts by building reserves and working towards a fundraising model that requires less dependence on this core funding. Another major risk is the loss of earned and fundraised income and a downturn in Drake Music's earning potential as a direct result of the change in leadership at the organisation and the planned reconfiguration of the Music Hubs planned for next year

# DRAKE MUSIC

## TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023

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### *Workforce Risks*

The organisation has found it difficult to recruit to the position of CEO and has needed to rely on temporary cover for this position whilst a suitable candidate could be found. The Board of Trustees are now confident that a new CEO will in place by the summer of 2023. The organisation has seen a high amount of staff turnover over the past year and this may remain the case until the new CEO is in place and for some time beyond their onboarding..

### *Learning and Action*

The organisation has a detailed strategy and action plan to ensure every disabled person engaging with the organisation is fully supported and included. Positive progress is being made against these targets and we have a robust risk management process in place which includes these risks..

In spite of the many challenges we faced this year, we have delivered outstanding work throughout England and beyond.

### **Public Benefit Test**

Under the terms of The Charities Act 2011, the Board of Trustees have a statutory duty to report on the Charity's compliance with the Public Benefit Test. The Board of Trustees consider that the aims and objectives of the Association are able to deliver a public benefit and have given due regard to that fact.

### **Achievements and performance**

The financial results for the year are set out in the Statement of Financial Activities on Page 9. The Charity has a surplus position of £67,566 which is made up of a deficit of £22,931 on unrestricted funds & a surplus of £90,496 on restricted funds as at 31 March 2023.

### **Principal Funding**

During 2022/23, Drake Music's principal funders were Arts Council England, Youth Music, Esmée Fairbairn Foundation and the PRS Foundation.

Drake Music is an Arts Council National Portfolio Organisation (NPO). This funding (secured until March 2023) contributes to the organisation's core costs. Securing core or unrestricted funding is an ongoing challenge and, as such, Arts Council England's support is critical for our organisation's financial and organisational sustainability.

### **THINK22:**

2022/23 was the fifth year of Think22, Drake Music's strategic programme funded by Youth Music. The programme's aim is to increase musical opportunities for Disabled children and young people, through strategic and sustainable partnership work with Music Education Hubs. By encouraging inclusivity, we aim to remove disabling barriers in music education, impacting far beyond the four years of the protect.

### **DM COLLECTIVE:**

The DM Collective artist development programme (which incorporates the Emergent, Ascendant and Artist-in-Development programmes) benefited from the support of the Esmée Fairbairn Foundation (the third year of a three year funding agreement). Funding for this programme in 2022/23 also came from: PRS Foundation, Harold Hyam Wingate Foundation, The Fenton Arts Trust, The D'Oyly Carte Charitable Trust, The Leche Trust and The Idlewild Trust. It should be noted that the majority of DM Collective was postponed to 2022-23 and much of this funding was carried forward.

# DRAKE MUSIC

## TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023

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### LEARNING, PARTICIPATION & TRAINING:

Our South West programme, Platform – including ongoing work with the Electric Storm Ensemble in Somerset and music-making sessions for Disabled adults and young people in Bristol – was supported by the Joyce Fletcher Charitable Trust, Peter Sowerby Foundation and Bristol Music Trust. We continued to develop our Orchlub project, using accessible technology to provide inclusive music-making opportunities for Disabled adults in London – with the support of the London Philharmonic Orchestra. Tiny Techies, a two year, pilot project, exploring how Drake Music’s innovative, technology-oriented approaches to inclusive music-making can be adapted to positively impact the learning and development of Disabled children in the early years. This project (which runs until summer 2023) is funded by the Masonic Charitable Foundation and the Ragdoll Foundation.

### RESEARCH & DEVELOPMENT:

Arts Council England’s Capital Kickstart grant was claimed for equipment to support the development of Drake Music’s Accessible Musical Instrument Collection (AMIC). The R&D programme (including AMIC and Drake Music’s innovation incubator community, DMLab) was also supported with donations from The Lucille Graham Trust, London Catalyst and Trafford Council.

### INDIVIDUAL GIVING & COMMUNITY FUNDRAISING:

Drake Music also continues to receive other individual donations, principally via Just Giving, often made in memory of individuals or raised at concerts or events.

### **Financial review**

The accounts for the year ended 31 March 2023 show a surplus on restricted funds of £90,496 (2022: £104,693) and a deficit on unrestricted funds of £22,931 (2022: surplus £75,193), resulting in an overall surplus for the year of £67,566 (2022: deficit of £29,500). Unrestricted funds at year end were £311,870 (2022: £334,801). Restricted funds increased to £212,155 (2022: £121,659). The charity does not have any designated funds.

Cash increased to £477,016 (2022: £427,328).

For the year ended 31 March 2023, total income increased slightly to £717,101 (2022: £714,864). During the same period, total expenditure decreased to £649,535 (2022: £744,364).

### *Reserves Policy*

The Finance Committee reviewed the reserves policy in January 2023 and recommend to the Board of Trustees that the following reserves policy was adopted with effect from January 2023:

Drake Music will ensure that the charity maintains reserves that cover the operational cost of an orderly wind-up and offers flexibility as we begin to rebuild our operations and capacity throughout the new financial year. Our reserves policy will now stand at 3 to 6 months operating costs. The Board will review this policy on an annual basis.

### **Plans for the future**

The recruitment and onboarding of our new CEO will be the main focus of the Board of Trustees as we enter into 23/24.

We aim to continue to focus on retaining a strong identity, clarity and cohesion and on being a sector thought leader. We will fight for music as a human right, create and deliver the best possible opportunities by, with and for Disabled people and tackle injustice and marginalization in music-making.

# **DRAKE MUSIC**

## **TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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Many of the Disabled people we work with experience exclusion, isolation, prejudice on a daily basis. For many, making music is a – often the – way to express themselves and have agency.

The delivery of some of our programmes has highlighted a range of challenges, particularly relating to accessibility.

Going forward, Drake Music will ensure that it remains relevant, resilient, sustainable and responsive to the diverse range of musical and access requirements of Disabled artists, participants, audiences, staff and associates. We will remain acutely aware of the ongoing social, economic and political impact of Covid on our communities, organisation and on society in general.

We are therefore fully committed to continue to deliver a diverse range of programmes and activities throughout 23/24 and strive to achieve our strategic objectives as outlined in our Strategic Plan and Short Term Aims.

### **Statement of the Board of Trustees Responsibilities**

The members of the Board of Trustees are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the members of the Board of Trustees to prepare financial statements for each financial year. Under that law, the members of the Board of Trustees have elected to prepare the financial statement in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

In preparing these financial statements the members of the Board of Trustees are required to:-

- select suitable accounting policies and apply them consistently
- make judgement and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue its activities.

The members of the Board of Trustees are responsible for the management of the Association's activities in accordance with its Memorandum and Articles of Association and the keeping of proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association, to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Signed on behalf of the board of Trustees on 11 December 2023.

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Charles de Swiet  
Chairman and Trustee

# **INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF DRAKE MUSIC FOR THE YEAR ENDED 31 MARCH 2023**

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I report to the charity trustees of the company for the year ended 31 March 2023, which are set out on pages 9 to 22.

## ***Responsibilities and basis of report***

As the charity's trustees of the company (and also 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 report***

Since the company'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 accounting 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.

**Kate Taylor FCA**

**For and behalf of Simpson Wreford LLP, Chartered Accountants**

Institute of Chartered Accounts in England and Wales

Wellesley House  
Duke of Wellington Avenue  
London, SE18 6SS  
Dated: 13 December 2023

# DRAKE MUSIC

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds	Restricted Funds	Total funds 2023	Total funds 2022
		£	£	£	£
<b>INCOME</b>	<b>3</b>				
Donations and legacies		222,021	415,919	637,940	600,066
Charitable activities		-	77,052	77,052	114,742
Investment income		2,109	-	2,109	56
<b>TOTAL INCOME</b>		<b>224,130</b>	<b>492,971</b>	<b>717,101</b>	<b>714,864</b>
<b>EXPENDITURE ON:</b>	<b>5</b>				
Raising funds		18,588	-	18,588	25,932
Charitable activities		228,472	402,475	630,947	718,432
<b>TOTAL EXPENDITURE</b>		<b>247,060</b>	<b>402,475</b>	<b>649,535</b>	<b>744,364</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(22,931)</b>	<b>90,496</b>	<b>67,566</b>	<b>(29,500)</b>
Transfers between funds		-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(22,931)</b>	<b>90,496</b>	<b>67,566</b>	<b>(29,500)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		334,801	121,659	456,460	485,960
<b>Total funds carried forward</b>		<b>311,871</b>	<b>212,155</b>	<b>524,026</b>	<b>456,460</b>

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

The notes on pages 12 to 22 form part of these financial statements.

# DRAKE MUSIC

## BALANCE SHEET AS AT 31 MARCH 2023

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	Notes	2023	2022
<b>Fixed Assets</b>			
Tangible assets	7	6,029	17,772
<b>Current Assets</b>			
Debtors	8	70,300	56,293
Cash at bank and in hand		<u>477,016</u>	<u>427,328</u>
		<u>547,316</u>	<u>483,621</u>
<b>Creditors</b>			
Amounts falling due within one year	9	<u>(29,319)</u>	<u>(44,932)</u>
<b>Net current assets</b>		<u>517,997</u>	<u>438,689</u>
<b>Total net assets</b>		<u>524,026</u>	<u>456,460</u>
<b>The Funds of the Charity</b>	12		
Unrestricted Funds		311,871	334,801
Restricted Funds		<u>212,155</u>	<u>121,659</u>
		<u>524,026</u>	<u>456,460</u>

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The trustees 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 on pages 9 to 22 were approved by the Trustees on 11 December 2023 and signed on their behalf by

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Charles de Swiet  
Chairman and Trustee  
Company Number: 02868675 (England & Wales)

# DRAKE MUSIC

## STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 MARCH 2023

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	Notes	2023 £	2022 £
<b>Cash used in operating activities</b>			
Net cash provided by/(used in) operating activities	16	<u>47,579</u>	<u>(10,686)</u>
<b>Cash flows from investing activities</b>			
Interest income		2,109	56
Purchase of tangible fixed assets		-	(2,760)
<b>Cash provided by/ (used) in investing activities</b>		<u>2,109</u>	<u>(2,704)</u>
Increase/(Decrease) in cash and cash equivalents in the year		49,688	(13,390)
Cash and cash equivalents at the beginning of the year		427,328	440,718
Total cash and cash equivalents at the end of the year		<u>477,016</u>	<u>427,328</u>

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 1. Accounting Policies

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Drake Music meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

#### 1.2 Charity information

Drake Music is a registered charity, registration number 1034374 and in consequence is exempt from taxation on income arising from and expended on its charitable activities.

The charity is a company limited by guarantee, incorporated in England and Wales. The registered office is Richmix, 35-47 Bethnal Green Road, London, E1 6LA.

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 £.

During the year, the affairs of the Association were managed by the Committee of Management who constitute Directors for the purposes of the Companies Act 2006. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per Trustee of the charity.

The financial statements are prepared under historical cost convention. The principal accounting policies, all of which have been applied consistently throughout the year.

#### 1.3 Going Concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on fee income in the light of coronavirus pandemic. The trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of approval of these financial statements. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

#### 1.4 Fixed Assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### *Depreciation and amortisation*

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<i>Asset class</i>	<i>Depreciation method and rate</i>
Computer & Office Equipment	three years straight line
Project Equipment	three years straight line
Accessible Musical Instrument Collection	three years straight line

### *1.5 Income and endowments*

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

### *Donations and legacies*

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

### *Grants receivable*

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

### *1.6 Deferred income*

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

### *1.7 Investment income*

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

### *1.8 Expenditure*

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### *Charitable activities*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### *Support costs*

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### *Governance costs*

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

### *1.9 Government grants*

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

### *2.0 Debtors and creditors receivable/ payable within one year*

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 charity will not be able to collect all amounts due according to the original terms of the receivables.

### *2.1 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.

### *2.2 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 charity 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.

### *2.3 Charitable funds*

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

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### 2.4 *Hire purchase and finance leases*

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

### 2.5 *Pensions and other post retirement obligations*

The charity contributes to defined contribution personal pension schemes of staff at the rate of 3% of annual salary. The cost of providing pensions for employees is charged to the Statement of Financial Activities in the year in which the contributions are due.

### 2.6 *Financial instruments*

#### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

#### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### **2. Critical accounting estimates and judgements**

Preparation of the financial statements requires management to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revision 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 the revision and future periods if the revision affects both current and future periods.

#### *Judgements*

Management have not made any individual critical accounting judgements that are material to the Charity.

#### *Key sources of estimation uncertainty*

Key sources of estimation uncertainty are those which present a significant risk of potential material adjustments to carrying amounts of assets or liabilities within the next financial year. These are outlined below:

#### *Tangible fixed assets*

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See accounting policies for the useful economic lives for each class of asset. The carrying amount is £6,029 (2022-£17,772).

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 3.1 Income from donations and legacies

	<i>Unrestricted</i>	<i>Restricted</i>	<i>2023 Total</i>	<i>2022 Total</i>
	£	£	£	£
<i>Donations</i>	2,846	-	2,846	42,244
<b><i>Grant income</i></b>				
Government grants	-	-	-	839
Arts Council England - accessible music instrument collection	-	89,655	89,655	-
Arts Council England - culture recovery fund	-	-	-	42,325
Arts Council England - planted symphony	-	-	-	59,821
Arts Council England - NPO	197,615	-	197,615	197,615
Grants - other agencies	-	-	-	1,760
PRS Foundation	-	13,400	13,400	13,650
Garfield Weston Foundation	-	-	-	30,000
Access to Work	21,560	-	21,560	-
Edward Gostling Foundation	-	8,000	8,000	-
City Bridge Trust	-	9,000	9,000	-
A&H Pilkington	-	3,000	3,000	-
Help Musicians UK	-	-	-	1,300
Youth Music	-	122,960	122,960	110,664
Joyce Fletcher Charitable Trust	-	5,000	5,000	5,000
Masonic Charitable Trust	-	19,400	19,400	-
Ragdoll Foundation	-	4,000	4,000	8,000
The Harold Hyam Wingate Foundation	-	6,000	6,000	6,000
Esmee Fairbairn Foundation	-	50,822	50,822	-
Youth Music Catalyser	-	59,850	59,850	-
National Lottery Community Fund	-	9,832	9,832	-
Foyle Foundation	-	15,000	15,000	-
D'Oyly Carte CT	-	-	-	4,350
The Fenton Arts Trust	-	-	-	3,600
The Leche Trust	-	-	-	2,000
The Idlewild Trust	-	-	-	4,000
Michael Tippett Musical Foundation	-	-	-	2,500
Sonos Soundwaves Partnership	-	-	-	13,980
Ralph Vaughan Williams Trust	-	-	-	750
Lucille Graham Trust	-	-	-	3,000
Peter Sowerby Foundation	-	-	-	9,168
London Catalyst	-	-	-	4,000
Granada Foundation	-	-	-	3,000
K Tafford	-	-	-	2,000
Cockayne Foundation	-	-	-	3,500
David Family Foundation	-	-	-	25,000
	222,021	415,919	637,940	600,066

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 3.2 Income from charitable activities

	<i>Unrestricted</i>	<i>Restricted</i>	<i>2023 Total</i>	<i>2022 Total</i>
	£	£	£	£
Learning, Participation and training	56,185	-	56,185	63,868
Think22	5,000	-	5,000	18,194
Research and development	10,000	-	10,000	-
Arts and collaborations	5,867	-	5,867	32,680
	<u>77,052</u>	<u>-</u>	<u>77,052</u>	<u>114,742</u>

### 4. Income by activity

	<i>Accessible Music</i>		<i>Research and Learning, Participation and development</i>		<i>Think22</i>	<i>General</i>	<i>2023 Total</i>
	<i>Arts and collaborations</i>	<i>Instrument Collection</i>	<i>Youth Music Catalyser</i>	<i>and training</i>	<i>t</i>	<i>£</i>	<i>£</i>
	£	£	£	£	£	£	£
Donations	-	-	-	-	-	2,846	2,846
Grant income	88,222	89,655	59,850	28,400	26,832	122,960	635,094
Earned income - CYP	-	-	-	2,680	-	-	2,680
Earned Income - International	2,853	-	-	-	-	-	2,853
Earned Income - UK	3,014	-	-	53,505	10,000	5,000	71,519
Other income	-	-	-	-	-	2,109	2,109
	<u>94,089</u>	<u>89,655</u>	<u>59,850</u>	<u>84,585</u>	<u>36,832</u>	<u>127,960</u>	<u>717,101</u>

### 5. Total expenditure

	<i>2023 Total</i>	<i>2022 Total</i>
	£	£
<b>5.1 Charitable activities</b>		
Project costs	23,786	11,726
Direct costs	209,277	297,152
Premises costs	40,838	46,240
Publicity and promotion	1,945	34,307
Depreciation, amortisation and other similar costs	11,743	14,241
Staff costs	234,279	236,009
Support costs	109,079	78,756
	<u>630,947</u>	<u>718,431</u>

#### 5.2

##### Support costs

Staff training and recruitment	32,578	5,889
Office expenses	6,381	9,465
Travel and subsistence	5,004	9,577
Governance costs	155	198
Independent examination	2,192	4,500
Consultancy and training	26,625	23,836
Legal and professional fees	35,925	25,043
Bank charges	220	248
	<u>109,080</u>	<u>78,756</u>

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 6. Staff costs

Staff costs for the year were as follows:	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Salaries and wages	198,350	215,294
Redundancy payment	23,937	-
Social Security costs	7,506	15,879
Staff pension costs	4,486	4,836
	<u>234,279</u>	<u>236,009</u>

The average number of staff employed during the year, was as follows:

	<b>2023</b>	<b>2022</b>
Charitable activities	<u>7</u>	<u>8</u>

The number of employees whose emoluments fell within the following bands was:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
£60,001 - £70,000	<u>1</u>	<u>1</u>

### 7. Tangible Assets

	<b>Project Equipment</b>	<b>Office Equipment</b>	<b>Accessible Instruments</b>	<b>Total</b>
<b>Cost</b>				
At 1 April 2022	84,254	14,464	34,968	133,686
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>84,254</u>	<u>14,464</u>	<u>34,968</u>	<u>133,686</u>
<b>Depreciation</b>				
At 1 April 2022	84,254	13,074	18,587	115,915
Charge for year	<u>-</u>	<u>954</u>	<u>10,789</u>	<u>11,743</u>
At 31 March 2023	<u>84,254</u>	<u>14,028</u>	<u>29,376</u>	<u>127,658</u>
<b>Net Book Value</b>				
At 31 March 2023	<u>-</u>	<u>437</u>	<u>5,593</u>	<u>6,029</u>
At 31 March 2022	<u>-</u>	<u>1,390</u>	<u>16,381</u>	<u>17,772</u>

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 8. Debtors

	<i>2023</i>	<i>2022</i>
	<i>£</i>	<i>£</i>
Trade debtors	14,729	26,996
Accrued income	45,062	18,788
Other debtors	10,509	10,509
	<u>70,300</u>	<u>56,293</u>

### 9. Creditors

	<i>2023</i>	<i>2022</i>
	<i>£</i>	<i>£</i>
Trade Creditors	18,840	33,397
Accruals	4,977	2,400
Deferred income	1,368	2,250
Other creditors	2,847	2,884
Social security and other tax	1,287	4,001
	<u>29,319</u>	<u>44,932</u>

### 10. Taxation status

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

### 11. Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 12. Reconciliation of funds

<i>Restricted funds</i>	<i>As at 1 April</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>As at 31</i>
	<i>2022</i>				<i>March 2023</i>
	£	£	£	£	£
Learning, Participation and training	-	28,400	(10,789)	-	17,611
Research and development	6,670	26,832	(2,673)	10,000	40,829
Arts and collaborations	42,877	88,222	(113,979)	-	17,120
Think22	27,666	122,960	(120,512)	-	30,114
Accessible Music Instrument Collection	44,446	89,655	(87,470)	-	46,631
Youth Music Catalyser	-	59,850	-	-	59,850
	121,659	415,919	(335,423)	10,000	212,155
<i>Unrestricted funds</i>					
<i>General Funds</i>	334,801	301,182	(314,112)	(10,000)	311,870
<i>Total funds</i>	456,460	717,101	(649,535)	-	524,026

### 13 Restricted funds

The specific purposes for which the funds are to be applied are as follows:

Learning, participation & training - work in this programme received support from the Masonic Charitable Trust and Ragdoll Foundation.

Research & Development: project received support from the City Bridge Trust, National Lottery Community Fund and the Edward Gostling Foundation.

Arts & Collaborations: National programme support was received from the PRS Foundation, A&H Pilkington, Foyle Foundation, Harold Hyam Wingate Foundation and The Esmee Fairbairn Foundation.

Think 22 is nationally supported by Youth Music Strategic Fund C.

### 14. Operating lease commitments

At 31 March 2023 the company was committed to making the following payments under non-cancellable operating leases:

	2023	2022
	£	£
Payments due	35,893	17,025

# DRAKE MUSIC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 15. Deferred income

Income of £1,368 (2022: £2,250) has been deferred either to match the period of terms on the grant documentation or the terms of the invoices for the following:

2023

Programme fees	-	£1,368
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2022

Programme fees	-	£2,250
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Income of £2,250 was released in the current period.

### 16. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net movements in funds	67,566	(29,500)
Add back: Depreciation	11,743	14,241
Deduct: Interest show in investing activities	(2,109)	(56)
(Increase)/decrease in debtors	(14,007)	26,644
Increase/(decrease) in creditors	(15,613)	(22,016)
	<u>47,580</u>	<u>(10,687)</u>