



National Children's Orchestras of Great Britain

Registered company number: 02471385

Registered charity number: 803026 (England and Wales)

Audited financial statements for the year ended

31 December 2022



National Children's Orchestras of Great Britain
For the year ended 31 December 2022
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Report of the Trustees
National Children's Orchestras of Great Britain
For the year ended 31 December 2022

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governing document

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

In 2022 the Board adopted a Financial Delegation document to specify areas of delegated approval for the financial aspects of the charity. The Trust Board review salaries, including for the Executive Team, annually. There is a benchmarking exercise planned for 2023.

In 2023, the Board will also be adopting a number of documents to clarify further the Governance Framework within which its Members, Full Board and Finance Committee operate and to create further transparency with regard to delegated functions at Executive and Senior Staff level.

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

The charity has no subsidiary undertakings.

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

Trustee Induction and Training

As with staff recruitment, National Children's Orchestras of Great Britain require references and enhanced DBS checks for new Trustees, in line with the charity's Safeguarding Policy. New trustees are provided with access to the Safeguarding Policy, Articles of Association and Code of Conduct upon appointment. Trustee induction includes a meeting with both the Chief Executive and the Chair of the Trust Board. A skills audit was conducted in 2022 identifying trustee strengths and areas for further development. Following the appointment of a Governance Lead in 2023, there will be further focus on training opportunities for Trustees and succession planning across the Board.

Administrative Information and Reference

Registered Company number
02471385 (England and Wales)

Registered Charity number
803026

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Registered office

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

Principal Office

Unit 2.3 Streamline
436-441 Paintworks
Bristol BS4 3AS

Trustees

Louise Mitchell (Chair)
Janet Baker (Honorary Treasurer)
Rosie Benneyworth (appointed 2 July 2021)
George Caird
Miranda Francis
Fiona Harvey
Beth Higham-Edwards (appointed 2 July 2021)
Kadiatu Kanneh-Mason (appointed 2 July 2021)
Jonathan Mayes
Uchenna Ngwe (appointed 6 June 2022)
William Norris
Laetitia Stott (appointed 6 June 2022)
Brian Weir
Christine Wu (appointed 2 July 2021)
Lucy Maguire (appointed 2 July 2021)

Finance Committee Members

Janet Baker (Hon. Treasurer)
Rosie Benneyworth
George Caird
Fiona Harvey
Jonathan Mayes

Founder

Vivienne Price MBE

Executive Leadership

Sophie Lewis Chief Executive
Catherine Arlidge MBE Artistic and Educational Director

Auditors

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

**Report of the Trustees
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For the year ended 31 December 2022**

Bankers

Lloyds TSB Bank PLC
64 High Street
Epsom
Surrey
KT19 8AT

CHARITABLE PURPOSE AND ACTIVITIES

Mission

NCO exists to support young musicians aged 8-14 years old to develop their musical skills through transformative orchestral experiences and performances.

We inspire them to be the best musician they can be, unlock their creative potential and support their wellbeing.

We give children the time and respect to develop their voices and we create a sense of belonging and community.

We are a fun, playful and joyous place for children.

Music drives our vision, and we believe in its great capacity to promote happiness and health.

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

Public Benefit

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

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

Alongside progression opportunities, NCO creates positive learning, engagement, progression and wellbeing outcomes for children, and the adults who work with the charity. Many children may not otherwise have these opportunities due to socio-economic barriers to access and inclusion, such as fewer economic and educational privileges and other challenges which could include where they live or their ethnicity.

NCO's work supports the current and future health of the artform of music by supporting young orchestral musicians and practitioners, creating new audiences and advocates for orchestral music, showcasing incredible and varied repertoire and supporting exciting new music commissions.

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2022 Executive Summary

2022 was a seminal year for NCO. It was the year we could finally bring children together again to experience the joy of orchestral playing through a newly structured programme of in-person and online orchestral activities. It was a new beginning in a changed world. Throughout the pandemic we were determined to do everything we could to help children continue to enjoy music as much as possible - not easy when the very thing they love doing the most was taken away.

We asked what mattered most to them and they told us - to feel happy and have fun, learn new musical skills and meet friends.

In January 2022, 624 children from across the UK joined NCO. Nervous anticipation gave way to focused learning, friendships and fun. Given the disruption caused by the pandemic to their musical learning and the impact of lockdowns on their emotional wellbeing, each one of them deserves a standing ovation. As do all those who support them at home and in and out of school. What they do enables what we do. 114 children were able to take part in NCO through our Financial Support programme, generously supported by key funders. These were children whose families could not afford it otherwise.

The pandemic caused us to think deeply about the NCO experience we want for children. We are ambitious for their musical achievements and know we can help them achieve excellence in performance and access excellence in opportunity within and beyond NCO.

We know that NCO directly and positively impacts their wellbeing and without this, their potential cannot be fully realised. This year's programme was intentionally filled with opportunities for children to progress their music and explore their creative potential. This sat alongside interventions and practices to help them become happier and healthier in their bodies and minds.

We are also working hard to identify the children missing from NCO, through no fault of their own. We know that true excellence of experience can only be achieved when children are benefitting from playing in a diverse group, where everyone feels they belong. We launched 'NCO Projects' this year to create a set of regional orchestras designed to be more accessible for younger children and those who might not yet have the skills, support or confidence to join our National Programme or other ensembles.

Our enriched learning framework and programme changes have been fully tested by a new evaluation model and we proudly produced our first Impact Report at the close of 2022, which can be viewed [here](#).

Sophie Lewis, Chief Executive and Catherine Arlidge MBE, Artistic and Educational Director

A message from NCO's Chair of Trustees

Alongside the joy of seeing children able to play together for the first time in two years, a highlight of the 2022 year for me was to see NCO confirmed as a new entrant into the Arts Council of England's National Portfolio of Organisations for April 2023 – March 2026. This is a huge endorsement of this organisation's vision, the unique role it plays in the progression of young musicians in the UK and the contribution it will continue to make towards increasing diversity in orchestral music. Being a National Portfolio Organisation and, in association a National Youth Music Organisation, as recognised by the Department for Education, will help us move forward with confidence and support to 2023 and beyond.

Louise Mitchell CBE, Chair of Trustees

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2022 Activities

Nearly 900 children auditioned to take part in NCO 2022. Auditions were via video submission and free of charge. The audition process allowed NCO to identify children ready for a place in our membership, as well as mapping the range of instruments and player ages which form NCO's seven orchestras. 624 children aged 8-14 years were offered places in NCO's 2022 Membership.

As part of membership recruitment, NCO invested in research discovering areas of the UK currently less engaged with the organisation, giving the information needed to develop opportunities for partnership and to understand the barriers to accessing NCO.

The National Programme

NCO's National Programme consists of three age-banded orchestras for children in school years 7, 8 and 9. 324 children aged 11-14 joined this residential orchestral programme. They formed three National orchestras, taking part in 6 week-long orchestral residencies (two weeks per orchestra) including:

- 250 hours of sectional and orchestral rehearsals
- Six public concerts
- One final Winter concert for the Main Orchestra

In the spring, our three National orchestras each met for the first time for their residential courses. They each championed great music from both the best and least known composers, across themes of *Fire and Water*, *Visions of America* and *Feel the Pulse*. Highlights included Debbie Wiseman's *Blue Whale*, Hannah Kendall's *Spark Catchers*, Florence Price's *Mississippi River Suite* and Igor Stravinsky's *The Firebird*.

"Such great playing - very impressive! Do send my congratulations to all the wonderful musicians in the NCO - they sounded fabulous and perfectly captured the essence of the Blue Whale!"

-Debbie Wiseman, Composer of Blue Whale, performed by NCO Under 13s Orchestra

The three orchestras then met again in summer for ambitious programmes centred around the themes of *Cinematic Scores*, *'orrible Orchestras* and *Sensational Sights, Fantastical Frights*. Highlights included an energetic performance of Leonard Bernstein's 'Symphonic Dances' from *West Side Story*, as well as Antonín Dvořák's *The Water Goblin*, and John Williams' 'Escapades' from *Catch Me If You Can*, which showcased saxophonist Jess Gillam, NCO Alumni Brooke Simpson on double bass and vibraphone player Sana Abu-Jabir.

"I really enjoyed The Water Goblin because it had a very mysterious story that added to the music. It made me really imagine what the music was trying to portray. I also really enjoyed playing Mars because it was very exhilarating, even when I was counting rests!"

- NCO Nationals Member, 2022

Each residency was led by inspiring conductors (including Jonathan Bloxham, Natalia Luis-Bassa and Rebecca Miller), Creative Leads to further explore creative fulfilment via our Surround Sound improvisation sessions (Jonathan James, Delia Stevens, Lucy Drever and Sarah Freestone) and Wellbeing Practitioners (Sarah Upjohn and Tom Taffinder).

"Surround Sound was just wonderful to be part of and worked really well and the kids enjoyed it. The staff training was a real bonus and I felt confident going into it and it really helped me to help the kids express themselves. It was also a great experience for the kids to sit in different chairs in the orchestra. The social aspect of surround sound can also not be underestimated. So many children shone in the surround sound that were normally very shy within their own sections."

- NCO Lower Brass Music Tutor, 2022

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Through residential activity and public performances, children exceeded all musical expectations whilst making lifelong memories and friendships. Children told NCO their favourite parts of the residentials were seeing and making friends and orchestral and sectional rehearsals. They also felt proud and inspired.

NCO Projects Programme

The NCO Projects programme was designed for launch in 2022 as a response to the post-pandemic needs of certain children and to begin a journey for NCO to address the inequality of opportunity in music education progression for many UK children. Opportunities for many children to advance their music skills and find progression routes were lost during the Covid lockdowns of 2020-21, particularly for children with less economic privilege, younger children and those living in areas or attending schools with less music education provision.

NCO Projects allowed children from a wider age range to explore large scale orchestral playing, often for the first time. 300 children aged 8-14 took part in non-residential Projects orchestral weekends in 2022.

- 4 Projects orchestras were formed in Bolton, Birmingham and London
- 8 orchestral weekends happened with 66 hours of sectional and orchestral rehearsals
- 8 family concerts were enjoyed by friends and family of the children.

Children told NCO that Projects was friendly, welcoming, supportive and encouraging and they enjoyed meeting other musicians their age.

Over the two weekends, children worked together on a new body percussion piece NCO Stomp by Ryan Linham, alongside works by George Gershwin, Florence Price and Johann Strauss. Each weekend was led by inspiring conductors and guest artists, including Jess Gillam, Aaron Akugbo, Nate Holder and Katie Stillman. A key highlight was a special, new commission by composer Ryan Linham in collaboration with Nate Holder, called Coming To England, which brought to life the extraordinary journey of the Windrush generation from Caribbean countries to the UK between 1948-1971.

"(The music) was hard at first but at the end of the second day I was so proud... I loved it. It was really inspiring."

– NCO Projects Member, Spring 2022

NCO Online

All NCO children took part in the online programme, which supported musical learning, creativity, connectivity, and wellbeing. Starting in January 2022, it helped create a sense of community so that children felt more confident before they began in-person activity. There were 154 hours of online activities and hundreds of resources including eight hours of inspiring webinars with amazing guests, from composer Debbie Wiseman to violinist Jennifer Pike and former Paralympian Noel Thatcher. The 2022 YouTube Webinars playlist includes 14 hours of Creative Challenges, quizzes and socials. 132 hours of online sectionals and can be viewed [here](#).

Children told us that their favourite parts of the online programme were sectionals and tutor and conductor welcome videos.

Achievements and Performance

To measure the effectiveness of our programme for member children, NCO applied a bespoke, triangulated evaluation framework for our 2022 programme, developed in association with youth-voice experts MB Associates.

- In all orchestras, members reported that they found the repertoire less challenging after the residentials.
- In all orchestras, on a scale of 1 to 10, members scored feeling happy and supported at residentials as an 8 or higher.

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- In all orchestras, on a scale of 1 to 10, members scored feeling like they belonged to a team or community at the residentials as a 9 or higher.
- In all orchestras, on a scale of 1 to 10, members scored feeling proud of their achievements at the residentials as a 9 or higher.
- In all orchestras, on a scale of 1 to 10, members scored feeling inspired at the residentials as an 8 or higher.
- In all orchestras, on a scale of 1 to 10, members scored feeling like they explored their creativity at the residentials as a 9 or higher
- Younger Members told us that their favourite parts of the residentials were seeing and making friends, rehearsals, and sectionals.
- In all orchestras, members told us that they would like more time for Surround Sound sessions and Surround Sound performances.
- In all orchestras, members reported that they found the Support Team excellent and approachable.

For the Projects programme, we asked children to rate their experience based on the following statement 'I...'

- felt happy and supported
- felt inspired'

Children recorded scores of 8.5 or higher (out of 10) against these statements and 7 or higher when asked if they felt they explored their creativity. Children noted that NCO was friendly, welcoming and supportive and that they enjoyed meeting other musicians their age. We also asked them to position themselves between 1-5 (with 1 equalling 'I don't agree' and 5 'I completely agree') on the statements:

- I feel proud of myself this weekend
- I have learnt new things this weekend

99% positioned themselves between 4 and 5, the majority completely agreeing with both statements. Crucially, every child confirmed to us that NCO Projects was their first (and only) experience of playing in a large-scale ensemble or orchestra.

"It's given me more confidence in making friends outside of school. I would love to play in more ensembles and orchestras for many years to come!"

- NCO Projects Member, aged 9

Of the 2022 Projects Members, 47 children are successfully moving on to our Nationals Programme and all those eligible to return to Projects applied to do so.

For the freelance team, NCO invested in pre-activity training and support including online creative facilitation training, increasing input into safeguarding and support and in person training at our live activities. For the core office team who deliver the overall remit of the charity, NCO introduced access to new online training and support via the Charity Learning Consortium. In addition, the organisation invested in access to the Medicash scheme to support employee health and wellbeing.

Audiences and Reach

NCO orchestras performed 15 concerts, enjoyed by more than 3,750 audience members from London to Bolton, Birmingham to Poole and Portsmouth to Manchester. NCO also reached more audiences through our social media channels, developing content to put children and their voices at the front and centre and to show more people, beyond NCO's own participants, the value of music education. The child-led content created during residentials resulted in the best reach (almost 90,000 people) on Facebook and best engagement on Facebook and Instagram to date. NCO increased its Twitter followers by 12%, Facebook followers by 11% and Instagram followers by 23%, compared to 2021. As of early December 2022, NCO's YouTube channel had been viewed 63,855 times, with 3,300 hours of NCO footage watched.

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Wellbeing and Support

NCO believes that happy and healthy children who feel they belong, who are enjoying new friendships and have increased confidence, are better able to fulfil their creative potential. In 2022 NCO's programmes included wellbeing support, resources, activities and training including:

- 12 hours of wellbeing sessions at residentials including injury prevention, posture and mindfulness 57 hours of team member training, empowering our teams to support the wellbeing of children and themselves
- 10 wellbeing videos on looking after body and mind
- 1 YouTube Wellbeing Webinar which can be watched [here](#).

Children told us they felt happy and supported and part of a community. They also told us they felt our Support Team was excellent and approachable.

Equality, Diversity and Inclusion

Of NCO's 624 members:

- 262 (42%) are from a global majority background
- 32 (5%) live with a disability
- 64 (10%) are from households with average or less median disposable income (£31,400 ONS data 2021)
- 114 (18%) qualified for bursary support via the Financial Support programme

NCO sought better representation in the artists and musicians who formed part of the 2022 Programme. This enabled a greater diversity of experiences and perspectives. There were:

- Five female conductors (out of 10)
- Six guest artists (out of 8) who were female
- Three guest artists (out of 8) from a global majority background
- Three female and four global majority composers - including William Grant Still, Samuel ColeridgeTaylor, Florence Price, Debbie Wiseman and Hannah Kendall
- Two new commissions - Ryan Linham and Nate Holder's *Windrush* and Ryan Linham's *NCO Stomp!*

Leadership Diversity

NCO invested in a full Board skills and diversity audit in 2021, resulting in positive shifts in the make up of Trustees.

This includes:

- a shift towards younger Trustees, via two Trustees under 30 and an increase in Trustees under 49
- 15% increase in global majority representation
- 15% increase in voices who represent less economically and less socially privileged children
- 36% increase in female representation

NCO's Senior Management Team comprises 83% female representation. A full diversity audit of the leadership, staff and freelance teams will be undertaken in 2023.

Future Plans

NCO has identified ten strategic priorities to guide the charity over the next three years. These priorities will shape the activity, partnerships, communication and fundraising undertaken to achieve the vision to be a place where all children can truly flourish through music.

The charity will be guided by new values – Ambition, Creativity, Happiness, Honesty and Respect - and will develop ambitious goals to deliver against:

- Improving equality of opportunity to access and be included in NCO, for children and adults; who are currently under-represented in our membership and in our practitioner teams;
- Collaboration with music and education partners to build a stronger music sector;

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- Developing the way Child Voice is heard at NCO and influences and guides decision making;
- Understanding more, deepening and sharing the impact NCO has on child wellbeing;
- Creating more and better opportunities for progression that suit the differing needs of current and future NCO participants

NCO will continue to run its National and Projects programmes, investing even further in the team and programme planning to ensure continued delivery of excellence in experience, excellence in opportunity and inspiring excellence in performance for hundreds of children.

A thoughtful and well-evidenced EDI action plan, devised by Sam Stimpson (SLS360) will drive forward equality of provision and access to NCO for many more children, and make sure everyone feels, and is, included in NCO.

A review of NCO's financial aid programme will ensure support is provided to those children who need it the most.

A newly-appointed Head of Engagement (role generously funded by the Foyle Foundation) will forge new and deeper relationships within music education services and other grassroots music organisations and deliver specific activity such as:

- **Free Access** - a programme strand offering free, non-auditioned activity working closely in partnership with music education hubs local to Projects weekend venues and NCO National Concert Venues. To include KS2 schools concerts, free tickets, open access orchestral workshops and expanded concert day activities.
- **Student Leaders** - an expansion on the current opportunity for undergraduates studying music to gain experience of working with children working as an assistant music tutor to section tutors. Partnerships with higher education organisations will create a detailed programme of opportunity.
- **Bristol Beacon Partnership** - In 2024 NCO orchestras will perform in the newly re-opened Bristol Beacon. NCO will develop an exciting series of collaborative activity for both NCO children and Bristol-based children already working with Bristol Beacon music services.

FINANCIAL REVIEW

Finance and Funding

The Statement of Financial Activities for the year is set out on page 18. Total income comprised £1,250,028 for unrestricted funds, £72,850 for restricted funds. Total expenditure was £1,241,306 in unrestricted expenditure and £114,015 in restricted expenditure. As at 31 December 2022 the reserves of the charity were £672,440 of which £86,286 are restricted.

To keep membership as accessible and inclusive as possible post-pandemic, fee levels were maintained at 2019 rates for 2022 NCO Membership. NCO's new Projects membership was priced at a more accessible level for many families. Both these decisions impacted on NCO's potential to increase earned income but were vital to fulfil NCO's charitable purpose and be as inclusive as possible. Fee levels will be reviewed annually in line with comparative offers and the financial landscape.

The Charity benefited from £255,644 in Orchestral Tax Relief and £1,454 in Gift Aid in the accounting period:

Reserves Policy

£210,000 is held in designated funds, to protect the charity should a natural disaster re-occur. £86,286 is restricted as above and £67,525 relates to the revaluation of musical instruments, accordingly £308,629 is available as free reserves. Having reviewed the charity's reserves policy in April 2022 and in light of the crisis caused by the covid-19 pandemic, Trustees identified and agreed that £500,000 should be retained in unrestricted reserves to ensure that the charity is able to continue to deliver essential services for its beneficiaries should a similar event occur again. A two-year view was taken to reflect the fact that the consequences of an event such as a pandemic extend beyond any one financial year. Trustees will actively review this reserves policy on an ongoing basis.

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Restricted Reserves

These funds are maintained through annual fundraising activities. NCO receives specific donations and grants from which only specific disbursements may be made. An explanation of each restricted reserve and the purposes for which it may be expended are given in Section 19 below. Apart from the Bursary Fund noted below, there are no specific periods of time during which these funds must be expended. Over the next three years, NCO intends to draw down specific restricted reserves to support the charity's ongoing mission and objectives.

The charity maintains a Bursary Fund to ensure that financial assistance is available to cover all or part of the costs of membership of any child whose family qualifies in the year of membership. All raised income for the purpose of financial aid is attributed to the Bursary Fund restricted reserve and spent down during the year. The Board considers that a fund should be maintained for this purpose and it is intended to achieve incremental increases in reserves each year over the next five years.

The remaining balance is £nil.

Risk Management

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

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

- **Child Protection and Safeguarding**

The well-being and safety of all children and young musicians whilst engaged in NCO activities is of paramount importance. The Board undertakes an annual review of safeguarding policy and practice and two Trustees have specific Safeguarding responsibility. All staff and volunteers at NCO must have a full current Enhanced Disclosure and Barring Service (DBS) check. Training is provided for staff at the start of every residency and all staff must complete a basic online child safeguarding course. Additional training is undertaken by senior residency and administrative staff. At the close of 2022 NCO appointed a Head of Support. This is a newly created role to lead on ensuring NCO maintains exceptional safeguarding of children and support their wellbeing and happiness through dynamic pastoral care.

- **Fundraising**

Every year, NCO needs to raise over £500,000 to subsidise its overall programme of activity, support its financial aid programmes and support core costs. The Executive team regularly report to the board and finance committee on secured income against targets and to monitor strategies for fundraising and the risks therein. At the close of 2022, we devised a specific Development Working Group to oversee our fundraising work and support the team to grow this area and extra capacity is in place for 2023 through a newly created Development Administrator role.

- **Cost of living and inflation**

With the cost of living crisis and consumer prices index at 9.2% in the 12 months to December 2022, NCO recognises that staff are under financial pressure as pay is not keeping up with inflation, we hope to address this in 2023. Rising costs will affect expenditure incurred, however NCO minimises these increases by booking costs such as travel/accommodation in advance, negotiating purchases and by strategic planning of any other large costs.

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Raised Income

NCO is immensely grateful to all the funders and supporters who enabled the incredible 2022 planning, activity and evaluation outlined above.

2022 was the first of several 'bridging years' to recovery from the effects of the pandemic. The financial losses of 2020 and 2021 were set against the real need to invest in rebuilding an elevated programme tailored for post-pandemic children and everything was made harder by rising costs of delivery and an increasingly competitive fundraising landscape.

The flexibility to attribute the final portion of a Cultural Recovery Fund grant to the start of our 2022 financial year helped underpin other fundraising.

The new NCO Projects programme benefitted from support via The Linder Foundation. NCO is truly grateful for the continued support of this generous and supportive funder. The Cecil King Memorial Foundation and the Kirby Laing Charitable Foundation also supported NCO's activity, helping mitigate the impact of rising costs while allowing us to invest where children needed it the most.

NCO's strong foundation of funding support for our financial aid programme enabled 114 children to take up membership that would otherwise have been unaffordable to their families and guardians. NCO is grateful to each of these funders.

NCO's individual donors, in particular Patrons, Friends, and NCO member families, were as generous as a difficult year permitted them to be. They bolstered fundraising by joining schemes or renewing support and donating to our appeal. NCO is extremely grateful to each and every one of them and for the messages of support which accompanied their gifts.

The significant achievement of 2022 fundraising was the confirmation of our successful bid for inclusion into the 2023-2026 Arts Council of England's National Portfolio of Organisations. This has also granted NCO official status as a National Youth Music Organisation, supported by the Department for Education. The charity is proud of both of these inclusions and the positive endorsement of NCO's vision and signification in the cultural fabric of the UK. NCO will receive its first portion of the grant in 2023, alongside other non-financial support.

There is expectation of a challenging landscape for fundraising in 2023, with significant competition for support driven by rising financial needs of many charities and decreasing funds available from many sources.

NCO seeks to raise income annually from four sources annually:

- Statutory funding from Government schemes such as Arts Council Funding programme.
- Donations from individuals via specific schemes such as NCO Friends or one-off donations to fundraising appeals.
- Grants from Trusts, Foundations or other grant-giving bodies.
- Funding from corporate organisations in the form of sponsorship.

Funding from any source can be restricted for a specific use, or unrestricted to spend as the charity needs for its core purpose. NCO codes every gift according to any agreement regarding restrictions to ensure it is directed as intended.

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NCO has a Development Team comprising of one part-time Director and one full-time Manager to fundraise our annual budget and steward donors. NCO does not employ any external expertise or support for fundraising. NCO has an Ethical Fundraising Policy agreed by its Board of Trustees which guides the organisation on best practice according to the Code of Practice issued by the Fundraising Regulator. The team understand the Code and checks its practice on a regular basis. This includes internal and external complaints or queries over donations. NCO had no complaints or queries of any nature for any raised income in 2022. All activity centred on individual donations adheres to HMRC's rules on Gift Aid. All fundraising communications adhere to GDPR guidance and regulation. NCO's Board oversees this work.

Going concern

The board is mindful that NCO may continue to deploy some financial reserves to meet the challenges of the post-pandemic economic situation. In particular, this relates to increased costs associated with venues and suppliers driven by the pressures of the cost-of-living crisis that continues to affect the UK economy, negatively affecting our expenditure and income streams.

The board expects this to have an impact on both raised income for 2023 and programme expenditure. This impact should be somewhat mitigated by NCO's inclusion into the Arts Council of England's NPO cohort from 2023 and its associated multi-year statutory funding. £225,000 of this funding can be attributed to the 2023 fiscal year, rising to £300,000 for the 2024 fiscal year.

The charity's 2022 financial position was boosted by £255,644 in income from the Government's Orchestral Tax Relief scheme, and the final £106,104 of a pandemic relief grant via the Government's Cultural Recovery Fund.

NCO's Board and Finance Committee will convene quarterly to review the charity's financial position and strategy. The Arts Council of England will also review any financial risk to the charity as a mandatory requirement of the new NPO funding arrangement.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the

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For the year ended 31 December 2022

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

In so far as the trustees are aware:

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

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

AUDITORS

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

31/05/2023

Approved by the board of trustees on.....and signed on its behalf by:



.....
J Baker - Trustee

**Independent Auditor's Report to the members and trustees of
National Children's Orchestras of Great Britain
For the year ended 31 December 2022**

Opinion

We have audited the financial statements of National Children's Orchestras of Great Britain for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, cash flow statement and the related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**Independent Auditor's Report to the members and trustees of
National Children's Orchestras of Great Britain
For the year ended 31 December 2022**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

**Independent Auditor's Report to the members and trustees of
National Children's Orchestras of Great Britain
For the year ended 31 December 2022**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

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

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

Audit response to risks identified:

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

**Independent Auditor's Report to the members and trustees of
National Children's Orchestras of Great Britain
For the year ended 31 December 2022**

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

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

Date: 23 June 2023
St Catherine's Court
Berkeley Place
Clifton
Bristol
BS8 1BQ

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

National Children's Orchestras of Great Britain
Statement of financial activities
for the year ended 31 December 2022

		Unrestricted Funds	Restricted Funds	Total 2022	Total 2021 As restated
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	3	277,617	72,850	350,467	583,269
Charitable activities	4				
Auditions					
Concerts		33,136		33,136	
Regionals		100,106		100,106	
Membership fees		579,750		579,750	147,500
Other trading activities	5	2,714	-	2,714	
Investments	6	1,061		1,061	748
Other	7	255,644		255,644	10,323
Total		<u>1,250,028</u>	<u>72,850</u>	<u>1,322,878</u>	<u>741,840</u>
Expenditure on:					
Raising funds	8	82,042	-	82,042	64,462
Charitable activities	9				
Residencies (including online)		1,101,828		1,101,828	625,655
Auditions		11,308		11,308	17,338
Concerts		45,628		45,628	
Bursaries and Scholarships		500	114,015	114,515	26,250
Regionals					
Total		<u>1,241,306</u>	<u>114,015</u>	<u>1,355,321</u>	<u>733,705</u>
Net gains/(losses) on instruments	15				
Net gains/(losses) on investments	16	<u>(1,905)</u>		<u>(1,905)</u>	<u>2,910</u>
Net income/(expenditure)		6,817	(41,165)	(34,348)	11,045
Transfers between funds	20	<u>200</u>	<u>(200)</u>		
Net movement in funds	20	7,017	(41,365)	(34,348)	11,045
Total funds brought forward (as restated, note 15)		579,137	127,651	706,788	695,743
Total funds carried forward	20	<u>586,154</u>	<u>86,286</u>	<u>672,440</u>	<u>706,788</u>

National Children's Orchestras of Great Britain
Balance Sheet
as at 31 December 2022

		Unrestricted	Restricted	2022 Total funds	2021 Total funds As restated
		£	£	£	£
Fixed assets	Note				
Tangible assets (as restated)	15	69,335	-	69,335	68,193
Investments	16	<u>14,485</u>	<u>-</u>	<u>14,485</u>	<u>16,390</u>
		83,820	-	83,820	84,583
Current assets					
Debtors	17	312,456	-	312,456	56,234
Cash at bank and in hand		<u>781,403</u>	<u>86,286</u>	<u>867,689</u>	<u>1,156,845</u>
		1,093,859	86,286	1,180,145	1,213,079
Creditors: amounts falling due within one year	18	(591,525)	-	(591,525)	(590,874)
Net current assets		<u>502,334</u>	<u>86,286</u>	<u>588,620</u>	<u>622,205</u>
Total assets less current liabilities		586,154	86,286	672,440	706,788
Net assets		<u>586,154</u>	<u>86,286</u>	<u>672,440</u>	<u>706,788</u>
Restricted funds	20			86,286	127,651
Unrestricted funds (as restated)	20			586,154	579,137
Total charity funds				<u>672,440</u>	<u>706,788</u>

The notes at pages 24 to 35 form part of these accounts

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

Approved by the trustees on 31/05/2023 and signed on their behalf by:


 L Mitchell - Trustee


 J Baker - Trustee

National Children's Orchestras of Great Britain
Cash Flow Statement
for the year ended 31 December 2022

	Notes	2022 £	2021 £
Cash generated from operating activities			
Cash generated from operations	1	(288,585)	621,640
Taxation refund			
Net cash (used in)/provided by operating activities		<u>(288,585)</u>	<u>621,640</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,632)	
Proceeds from disposal of tangible fixed assets			9,900
Interest received		1,061	748
Net cash provided by/(used in) investing activities		<u>(571)</u>	<u>10,648</u>
Change in cash and cash equivalents in the reporting period	2	(289,156)	632,288
Cash and cash equivalents at the beginning of the reporting period		<u>1,156,845</u>	<u>524,557</u>
Cash and cash equivalents at the end of the reporting period		<u>867,689</u>	<u>1,156,845</u>

National Children's Orchestras of Great Britain
Cash Flow Statement
for the year ended 31 December 2022

Notes to the Cash Flow Statement

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

	2022	2021
	£	£
		As restated
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(34,348)	11,045
Adjustments for:		
Depreciation charges	490	2,002
(Gains)/losses on investments	1,905	(2,910)
Interest received	(1,061)	(748)
Gain on disposal of fixed assets	-	(2,999)
Interest paid	-	-
Tax refund due	-	-
(Increase)/decrease in debtors	(256,222)	214,880
(Decrease)/increase in creditors	<u>651</u>	<u>400,370</u>
Net cash provided by/(used in) operating activities	(288,585)	621,640

2 Analysis of changes in net funds	At 1 January		At 31 December
	2022	Cash flow	2022
	£	£	£
Net cash			
Cash at bank and in hand	1,156,845	(289,156)	867,689
Total	<u>1,156,845</u>	<u>(289,156)</u>	<u>867,689</u>

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

1 Statutory information

National Children's Orchestras of Great Britain is a charitable company limited by guarantee and domiciled in England and Wales. The Charity is registered in England and Wales, Registered Company number 2471385, Registered Charity number 803026. The registered office is St Catherine's Court, Berkeley Place, Bristol, BS8 1BQ, and the Principal office is Unit 2.3, Streamline, 436-441 Paintworks, Arncliffe, Leeds, LS16 5PS.

The principal activity of the Charity is to foster and develop the early musical talent of children aged between 8 and 14 years from across the UK, providing world-class opportunities for orchestral training and performance.

2 Accounting policies

Basis of preparing the financial statements

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

Statement of compliance

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

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies which are described above, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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

Depreciation

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

Valuation of musical instruments

Musical instruments are carried at an estimation of their market value, based upon external valuations and the judgement of the Trustees.

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

Allocation of costs between activities

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

Income

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

In particular:

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

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

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

Audition income is recognised when the auditions have taken place.

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

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

Expenditure

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

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

Allocation and apportionment of costs

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

Tangible fixed assets

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

Music	20% on cost
Fixtures and fittings	20% on cost

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

Fixed assets are stated at cost less accumulated depreciation.
Items purchased for less than £200 are not capitalised and are expensed through the Statement of Financial Activities.

Musical instruments

Musical instruments are held at valuation and are not depreciated. These are revalued every five years with movements in the market value being taken to the Statement of Financial Activities in the year of revaluation. Individual instruments valued at less than £200 each are written off.

Taxation

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

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Trade and other debtors

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

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

Cash and cash equivalents

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

Trade and other creditors

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

Investments

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

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

3 Donations and legacies

	2022	2021
	£	£
Donations	349,013	576,472
Tax recovered	1,454	3,798
Miscellaneous income	-	2,999
	350,467	583,269

4 Income from charitable activities

	2022	2021
	£	£
Auditions	-	-
Concert income	33,136	-
Regionals income	100,106	-
Membership fees	579,750	147,500
	712,992	147,500

5 Other trading activities

	2022	2021
	£	£
Merchandising income	-	-
Other revenue	2,714	-
	2,714	-

6 Investment income

	2022	2021
	£	£
Investment income	1,061	748
	1,061	748

7 Other income

	2022	2021
	£	£
Orchestra Tax Relief	255,644	10,323
	255,644	10,323

8 Raising funds

	2022	2021
	£	£
Raising donations and legacies		
Staff costs	73,259	62,601
Other costs	8,783	1,861
Total	82,042	64,462

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

9 Charitable activities costs

	Direct costs	Grant funding of activities (see note 10)	Support costs (see note 11)	Totals 2022
	£	£	£	£
Programmes (including online)	619,680	-	482,148	1,101,828
Auditions	11,308	-	-	11,308
Concerts	45,628	-	-	45,628
Bursaries and scholarships	500	114,015	-	114,515
	677,116	114,015	482,148	1,273,279

	Direct costs	Grant funding of activities (see note 10)	Support costs (see note 11) As restated	Totals 2021 As restated
	£	£	£	£
Programmes (including online)	156,595	-	469,060	625,655
Auditions	17,338	-	-	17,338
Concerts	-	-	-	-
Bursaries and scholarships	-	26,250	-	26,250
	173,933	26,250	469,060	669,243

10 Grants payable

	2022	2021
	£	£
Bursaries and scholarships	114,015	26,250

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

	2022	2021
	£	£
Grant	114,015	26,250

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

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

11 Support costs

	Management	Finance	Governance costs	Totals 2022
	£	£	£	£
Programmes (including online)	465,793	-	16,355	482,148
Auditions	-	-	-	-
Concerts	-	-	-	-
Bursaries and Scholarships	-	-	-	-
	465,793	-	16,355	482,148

	Management As restated	Finance	Governance costs	Totals 2021 As restated
	£	£	£	£
Programmes (including online)	451,635	-	17,425	469,060
Auditions	-	-	-	-
Concerts	-	-	-	-
Bursaries and Scholarships	-	-	-	-
	451,635	-	17,425	469,060

12 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2022	2021 As restated
	£	£
Auditor's remuneration	7,700	7,210
Auditors' remuneration for non audit work	8,170	5,050
Depreciation - owned assets	490	2,002

13 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

Trustees' expenses in respect of attendance at board meetings during the period totalled £52.50 (2021: £nil).

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

14 Staff costs

	2022 £	2021 £
Wages and salaries	341,453	263,292
Social security costs	29,262	22,278
Pension costs	9,118	7,351
	379,833	292,921

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

2022 £	2021 £
12	8

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

The Orchestras employed 179 freelancers during the year (2021: 131), who worked a total of 925 days (2021: 695 days).

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

15 Tangible fixed assets

	Music £	Instruments As restated £	Fixtures and fittings £	Motor vehicles £	Totals As restated £
Cost/Value					
At 1 January 2022	21,720	67,525	72,018	-	161,263
Additions	-	-	1,632	-	1,632
Disposals	-	-	-	-	-
At 31 December 2022	21,720	67,525	73,650	-	162,895
Depreciation					
At 1 January 2022	21,339	-	71,731	-	93,070
Charge for the year	180	-	310	-	490
Eliminated on disposals	-	-	-	-	-
At 31 December 2022	21,519	-	72,041	-	93,560
Net Book Value					
At 31 December 2022	201	67,525	1,609	-	69,335
At 31 December 2021	381	67,525	287	-	68,193

National Children's Orchestras of Great Britain
Notes to the financial statements
for the year ended 31 December 2022

Prior year restatement

A change in accounting policy has been adopted this year for the musical instruments, moving from a depreciated cost model to a revaluation basis. The change has been applied retrospectively, with a restatement to the opening position for the comparative figures - ie the figures at 1 January 2021 have been restated to uplift the net book value of the instruments from £2,147 to £67,525. This total uplift of £65,378 is made up of a reversal of depreciation brought forward of £100,178, net of an impairment of £34,800. Additionally, a depreciation charge that was previously recognised in the year ended 31 December 2021 for the instruments of £2,147 has now been removed.

External valuations were obtained for the musical instruments in 2021, that totalled £67,525. The Trustees considered that this was a reasonable basis for the opening valuation as at 1 January 2021, as there was not considered to be a material change in value during the period between 1 January 2021 and the valuations. Furthermore, it is the opinion of the Trustees that there has been no material movement to the value of the instruments since the external valuations were obtained, up to the 31 December 2022 year end.

16 Fixed asset investments

	Listed Investments £
Market value	
At 1 January 2022	16,390
Revaluations	(1,905)
At 31 December 2022	14,485
Net book value	
At 31 December 2022	14,485
At 31 December 2021	16,390

There were no investment assets outside the UK.

17 Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	5,880	6,684
Prepayments	23,735	13,485
Tax recoverable	282,841	36,065
	312,456	56,234

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18 Creditors: amounts falling due within one year	2022 £	2021 £
Trade creditors	18,161	4,570
Social security and other taxes	8,530	8,707
Deferred income	542,570	553,492
Accruals	22,264	24,105
	591,525	590,874

Further information on deferred income is provided in note 24.

19 Leasing agreements

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

	2022 £	2021 £
Within one year	9,846	24,280
Between one and five years		
	9,846	24,280

Lease payments recognised as an expense in the year amounted to £41,048 (2021: £34,820).

20 Movement in Funds

	At 1/1/22 As restated £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund (as restated, see note 15)	369,137	6,817	200	376,154
Unrestricted - designated funds				
IT Replacement fund	-	-	-	-
Office move	-	-	-	-
Risk Reserve	210,000	-	-	210,000
	579,137	6,817	200	586,154
Restricted funds				
Bursary fund	36,743	(41,165)	4,422	-
Scholarship fund	1,792	-	-	1,792
E Rorison winter award	4,231	-	(200)	4,031
Access and progression	17,470	-	-	17,470
F Guthrie	1,522	-	-	1,522
Vivienne Price memorial fund	18,677	-	(4,422)	14,255
1978 association	47,216	-	-	47,216
	127,651	(41,165)	(200)	86,286
Total funds	706,788	(34,348)		672,440

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,250,028	(1,241,306)	(1,905)	6,817
Unrestricted - designated funds				
IT Replacement fund				
Office move				
Risk Reserve				
	1,250,028	(1,241,306)	(1,905)	6,817
Restricted funds				
Bursary fund	72,850	(114,015)		(41,165)
Scholarship fund				
E Rorison winter award				
Access and progression				
F Guthrie				
Vivienne Price memorial fund				
1978 association				
	72,850	(114,015)		(41,165)
Total funds	1,322,878	(1,355,321)	(1,905)	(34,348)

Comparatives for movement in funds

	At 1/1/21 As restated	Net movement in funds As restated	Transfers between funds	At 31/12/21 As restated
	£	£	£	£
Unrestricted funds				
General fund (as restated, see note 15)	540,462	(200,249)	28,924	369,137
IT replacement fund	7,131	(7,131)		
Office move	25,500	(25,500)		
Risk reserve		210,000		210,000
	573,093	(22,880)	28,924	579,137

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Restricted funds				
Bursary fund	31,742	33,925	(28,924)	36,743
Scholarship fund	1,792	-	-	1,792
E Rorison winter award	4,231	-	-	4,231
Access and progression	17,470	-	-	17,470
F Guthrie	1,522	-	-	1,522
Vivienne Price memorial fund	18,677	-	-	18,677
1978 association	47,216	-	-	47,216
	<u>122,650</u>	<u>33,925</u>	<u>(28,924)</u>	<u>127,651</u>
Total funds	<u>695,743</u>	<u>11,045</u>		<u>706,788</u>

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

	Incoming resources	Resources expended	As restated	Gains and losses	Movement in funds	As restated
	£		£			£
Unrestricted funds						
General fund (as restated, see note 15)	471,666	(674,825)		2,910	(200,249)	
Unrestricted - designated funds						
IT replacement fund	-	(7,131)		-	(7,131)	
Office move	-	(25,500)		-	(25,500)	
Risk reserve	210,000	-		-	210,000	
	<u>681,666</u>	<u>(707,456)</u>		<u>2,910</u>	<u>(22,880)</u>	
Restricted funds						
Bursary fund	60,175	(26,250)		-	33,925	
Scholarship fund	-	-		-	-	
E Rorison winter award	-	-		-	-	
Access and progression	-	-		-	-	
F Guthrie	-	-		-	-	
Vivienne Price memorial fund	-	-		-	-	
1978 association	-	-		-	-	
	<u>60,175</u>	<u>(26,250)</u>		<u>-</u>	<u>33,925</u>	
Total funds	<u>741,841</u>	<u>(733,706)</u>		<u>2,910</u>	<u>11,045</u>	

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Designated funds:

IT replacement fund

This fund was to provide for future IT expenditure and replacement as a condition of the restricted donation from Fidelity towards IT equipment. This was fully utilised in the prior year.

Office move fund

NCO had an obligation under its old office lease arrangement to make good the premises on expiry of the lease. This was fully released in the prior year.

Risk Reserve fund

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

Restricted funds:

Bursary fund

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

Scholarship fund

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

E Rolison winter award

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

Access and progression

This fund represents money received to support the engagement activities.

F Guthrie

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

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Vivienne Price memorial fund

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

1978 Association

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

General Manager

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

Music support

This fund represents amounts received towards the cost of music hire.

Transfers between funds

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

21 Employee benefit obligations

Pension contributions amounting to £9,118 (2021: £7,351) were recognised as an expense in the SoFA in respect of the Charity's defined contribution pension scheme. These costs are charged in full to unrestricted funds.

22 Contingent liabilities

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

23 Related party disclosures

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

During the year 2 trustees were paid a total of £6,641 (2021: £2,475) for services as tutors.

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

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24 Deferred income

Accruals and deferred income includes the following items of income which have been deferred as at 31 December 2022:

	2022	2021
	£	£
Membership deferred at 1 January 2022	468,492	42,000
Released to income in the year	(468,492)	(42,000)
Grant funding received in advance	11,505	85,000
Membership deferred at 31 December 2022	531,065	468,492
	542,570	553,492

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

25 Post balance sheet events

The Trustees have no post balance sheet events to report.

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26 Comparatives for the statement of financial activities (as restated)

	Unrestricted funds As restated £	Restricted funds £	Total funds £
Income and Endowments from			
Donations and legacies	523,094	60,175	583,269
Charitable activities			
Auditions	-	-	-
Concerts	-	-	-
Regionals	-	-	-
Membership fees	147,500	-	147,500
Other trading activities			
Investment income	748	-	748
Other income	10,323	-	10,323
Total	681,665	60,175	741,840
Expenditure on			
Raising funds	64,462	-	64,462
Charitable activities			
Residencies	625,655	-	625,655
Auditions	17,338	-	17,338
Concerts	-	-	-
Bursaries and scholarships	-	26,250	26,250
Regionals	-	-	-
Total	707,455	26,250	733,705
Net gains on investments	2,910	-	2,910
Net Income/(Expenditure)	(22,880)	33,925	11,045
Transfers between funds	28,924	(28,924)	-
Net movement in funds	6,044	5,001	11,045
Total funds brought forward	573,093	122,650	695,743
Total funds carried forward	579,137	127,651	706,788