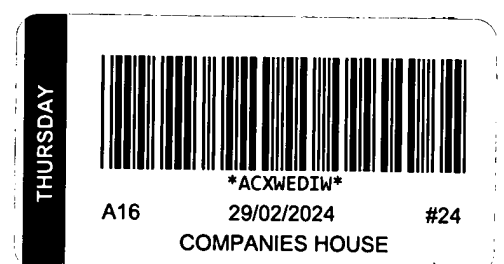


Charity registration number SC026908 (Scotland)

Company registration number SC177502 (Scotland)

DRAKE MUSIC SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023



DRAKE MUSIC SCOTLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Patrons

Adele Drake
Dame Evelyn Glennie DBE
Professor Raymond MacDonald
Sir James MacMillan CBE
Gerry Mulgrew
Linda Ormiston OBE
Professor Nigel Osborne MBE
The Proclaimers
Donald Runnicles OBE
Dougie Vipond

Directors

Christopher Glasgow
David Jeffcoat
Jack Johnson
Mark McKeown
Jamie Munn
Emma Murray
Debbie Storm
Emma Sharpe (Appointed 12 December 2022)
Juliet Barker (Appointed 12 December 2022)
Neil Patterson (Appointed 12 December 2022)

Secretary

Juliet Barker

Charity number (Scotland)

SC026908

Company number

SC177502

Principal address

SPACE
11 Harewood Road
Edinburgh
EH16 4NT

Registered office

SPACE
11 Harewood Road
Edinburgh
EH16 4NT

Auditor

Thomson Cooper
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

DRAKE MUSIC SCOTLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Solicitors

Campbell Smith LLP
21 York Place
Edinburgh
EH1 3EN

DRAKE MUSIC SCOTLAND

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DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The Directors present their annual report and financial statements for the year ended 30 June 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

The charitable company's objectives are:

- the advancement of the arts and of education in the arts and, in particular, the art of music, amongst children and adults with a physical disability, learning difficulty or sensory impairment or who are in need by reason of other disadvantage, through the use of specially developed technology or methodology and through interaction with others;
- the promotion of research into new technologies and methodologies for the advancement of the arts and of the education in the arts, and in particular the art of music, amongst children and adults and the publication of the results of such research.

About Drake Music Scotland

Drake Music Scotland is a company limited by guarantee with charitable status based in Edinburgh, working nationally throughout Scotland and with wider UK and international partners. For the last 25 years Drake Music Scotland has developed a programme of commissions, creative project, performance and career development opportunities for artists, ensembles and musicians and provided opportunities for over 19,000 disabled children to learn, create and perform. We continuously explore and expand our specialised expertise in inclusive music making with digital technologies for those with physical barriers to playing, and develop software and other resources based on the Finnish Figurenotes notation system to simplify the process of learning music for those with additional needs.

Rooted in the social model of disability, our disabled artist-led programme **Create** widens opportunities for composers, performers and ensembles to develop ambitious creative projects and make an impact on the performing arts sector in Scotland and beyond. Enhanced by key partnerships with performing arts organisations, festivals and venues we aim to mainstream the work of disabled artists, diversify the music sector and lead permanent change.

As an established member of Scottish, UK and international music education networks we develop inclusive music education for young people ensuring they have equal opportunities to benefit from making music as their non-disabled peers. Our schools programme All Join In offers specialised provision in partnership with Scotland's local authority music services engaging more than 1,000 young people each year. We also provide sector-leading training and professional development for an international community of music practitioners and educators which includes disabled music leaders who are role models for the young people they work with.

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

ACHIEVEMENTS AND PERFORMANCE

Chair's Introduction to report for period to 30th June 2023

As this report demonstrates, Drake Music Scotland has once again delivered a wide range of exceptionally high quality services for disabled musicians. The establishment of our new Create and Learn programmes in particular has allowed us further to develop the nature of our support for disabled artists and learners, putting them at the very heart of everything we do so that they can identify and achieve their own ambitions. This 'facilitation and support' model is ground breaking and challenges the notion of the 'possibility' of what disabled people can be at the mercy of other people's agendas.

None of our work would be possible without the very generous support of our funders. On behalf of the whole Board, I would like to express our deep gratitude to all our funders for their commitment to, and belief in, our services.

This is my last Chair's report as I will be stepping down in October 2023 at the end of my five year term of office. It has been an honour and a privilege to serve on the Board of Drake Music Scotland. It is an exceptional organisation and I have been proud to contribute to its success. I would like to particularly thank our outstanding Chief Executive and all our highly talented staff and associate musicians. I also thank my fellow Trustees past and present for their collective passion, diligence and generosity in the discharge of their duties. I wish everyone in and supported by the organisation all the very best for the future and look forward to seeing you all again in the future.

Chief Executive's Report

During the 2022-23 year we launched our reconfigured artistic programme with the two key strands **Create** and **Learn** focusing on disabled artists and disabled learners respectively, forging ahead with a range of ambitious projects in conjunction with our many partners.

Create - Artist-led Programme of Creative Projects

Spear-headed by our Associate Composer **Ben Lunn** - who self-identifies as disabled and autistic - this year's Create projects included the **Echoes** concert in June 2022 featuring new works by 9 disabled composers in partnership with the Hebrides Ensemble. This fruitful partnership also led to a performance at the Hidden Door Festival in the Pianodrome at the old Royal High School on Calton Hill. The event presented the equal partnership of a disabled and non-disabled musician in **Chris Jacquin** and Gordon Bragg, giving the UK premiere of *Echos II* by Niculescu for violin and synthesizer introducing our approach to an enthusiastic audience previously unfamiliar with our work. **Echoes** went on to win best *New Music Project* in the prestigious 2023 New Music Scotland Awards.

To add to his success, Jacquin was awarded a place on the prestigious Sound and Music New Voices scheme with funding and other support to develop his work over the year. He is developing his exploration of electro-acoustic and sonic music practice with key collaborators Dr Tom Mudd of Edinburgh University and Professor Nick Fells of Glasgow University and will deliver a series of lectures and performances during 23-24.

Other composers and music creators supported by us during the year include **Clare Johnston** who continued her online collaboration with the Egeru Ensemble based in Almaty, Kazakhstan, and **Sorcha Pringle** who received training through our professional development programme. She also contributed to improving the accessibility of Figurenotes software and more recently, a consultant with our Creative Access team. **Ewan McKay**, a composer based in the north-east was appointed as our Composer in Residence with mentoring from highly regarded pianist and composer Huw Watkin.

The Edinburgh Fringe 2022 was a busy period for us. We supported **Sean Logan** a neurodiverse keyboardist and music creator who featured in Channel 4's popular programme *The Piano* to create his first Fringe show also at the Pianodrome. Several of our MusicSPACE musicians performed at the EdFringe's Access Stage at St Andrew Square and a lunchtime performance at the Pianodrome. A key new group **Out of the Common** emerged from our collaboration with Intercultural Youth Scotland, a newly formed collective of disabled and BME young artists who played at Craigmillar Festival and Intercultural Youth Scotland's **Scotland in Colour** Festival.

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

On 30th September a concert took place at the **Cumnock Tryst** with pupils from Hillside School creating work with Sir James MacMillan, singers from the Royal Conservatoire of Scotland, a moving concert that confirmed again that disability is no barrier to creativity and self-expression. In October **Sound Scotland's** new music festival based in Aberdeen and Aberdeenshire featured the premiere of **Sonia Allori's Room to Breathe** performed by Clare Johnston with members of the iPad Lab and Nevis Ensemble.

Composer **Karen Sutherland** was supported to apply for Creative Scotland Create:Inclusion funding from Creative Scotland to develop her piece **Entwine** which incorporated the MI.MU Gloves. Kris Halpin, one of the UK's main exponents of the gloves - a wearable, gestural technology for music performance art - worked with Sutherland and Jacquin on a new version of the piece first performed at Echoes for **Cryptic Nights** in March 2023. The sold-out event also expanded the audience for our music creators' work, bringing our new artist-led approach to Glasgow's Centre for Contemporary Arts.

We were delighted to learn of success with an application for PRS for Music Foundation's **Beyond Borders** funding for a collaboration between composers from England, Scotland and Wales and experimental pianist and new music champion **Siwan Rhys**, working towards a performance in autumn 2023 and later an album to be recorded by NMC Recordings.

Learn - Creative Projects in and out of School

Youth Music Initiative Projects planned for the new academic year were affected by a 'pause' at the request of the Scottish Government which caused a delay to the programme of schools projects and was a concern for some of our freelance practitioners. The situation was resolved and the year's All Join In programme went ahead successfully with more than 1,000 young people delivering 827 sessions in 59 schools in 14 local authorities. Their musical and creative skills were developed in projects led by our team of Associate Musicians. Amongst the many highlights of the year were Calaiswood School in Dunfermline performing as part of the Fife Music Festival and pupils from Pinkie Primary in Musselburgh, East Lothian writing a song about bullying.

A film documentary of the long-standing programme of work in Aberdeenshire Schools was made, showing examples of some of the many creative ways the programme has been used to support learning and teaching in music. Graeme Boyd Head Teacher of Carronhill School Stonehaven commented, 'Music is far more than just an extra to the curriculum, it is a vital part of the school'.

The Learn team was joined in March 23 by new team member Caitlin Walker in the role of Learn Co-ordinator. This is allowing Emma Lines as Head of Learn to focus on implementing **Digital Orchestra: Youth** a key aspect of the Changes Plan developed over the last two years. Digital Youth Orchestra is funded through Creative Scotland's Youth Music Initiative Access fund. It started in the North-East in Aberdeen, central Scotland in Dundee and Edinburgh focusing on musical transitions for young people from school to adult life creating a safe space for them to be creative and have stability in their lives during what can often be a difficult transitional period. This includes mentoring from Digital Orchestra members. From Autumn 2023 Sorchia Pringle, visually impaired musician and project leader, will be part of the team leading the DO:Y project in her home base of Dundee; Ewan McKay a disabled composer will be joining Digital Orchestra: North East; and Clare Johnston will join Digital Orchestra: Edinburgh.

Skills Development and Training

Our work could not happen without the expertise and skilled facilitation of our valued team of Associate Musicians whose contribution is highly valued. A training event in March 2023 led by digital technology expert Ali Gillies, a long-standing member of the Associate Musician team, introduced the Digital Orchestra: Youth leaders to Ableton software and new hardware including CMPSR, BlueBoard and Roli Blocks. These devices have been purchased for the participants use with the funding from the Youth Music Initiative Access Fund.

Following the soft launch of the new Figurenotes software in May 22, the Figurenotes Team continued to work on more accessibility features for the software including Sorchia Pringle working directly with our developers on Screen reader accessibility for our software, Notate. The Figurenotes Accessible Music Hub continues to be a central point of information and resources for the inclusive music teaching community. They also delivered training as part of a team visit and knowledge exchange in the autumn to the United States at New York University and University of Bridgeport, and closer to home at the Youth Music Initiative 20th Anniversary event in Johnstone as well as online Figurenotes training, for a total of around 200 attendees.

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Team Development and Support

Implementation of the Changes Plan involved extensive consultation with the staff team enabling them to have a voice and sense of ownership of the plans and effectively contribute to the change in direction and working practices. A key part of the artist-led approach was making the facilities within our base at SPACE in Craigmillar more accessible and welcoming for artists to use to work on projects. Our Flexible Working Policy extends to all team members, who can work from home as well as supporting each other to maintain activities within the building. Other initiatives to support Team Wellbeing included signing up to Health Assured's Employee Assistance Programme and the Bike2Work Scheme.

Environmental Sustainability

The Bike2Work scheme is also part of our work on Environmental Sustainability and development of targets for our Carbon Management plan. DMS Team members took part in Creative Carbon Scotland's Springboard Assembly on Climate Action and are developing new targets working towards the Scottish Government's Net Zero target by 2045. At the musicians' training event, ideas were elicited for the refreshed plan for the years ahead including environmental themes for projects and a suppliers' Sustainability Rider.

Fundraising and Income Sources

In a change of direction for our fund-raising activity this year, we developed ways of working with artists to identify appropriate opportunities and support them to apply for funding to develop their own projects. Successes include Karen Sutherland applying to Creative Scotland's Create: Inclusion Fund, Sanjeev Mann's application to the Youth Music Next Gen Fund to create an EP, and Sean Logan applying to Creative Scotland for his recording project.

Generated Funds

We receive fees from Local Authorities for the provision of music in schools in their areas and also generate income from the sale of Figurenotes resources and training. We charge nominal fees for MusicSPACE tuition making it clear that those who experience any barriers to paying are not charged.

Donations

In terms of Donations we were delighted to be approached by the **Westerton Male Voice Choir** based in Bearsden who chose us as the charity to benefit from their charitable fundraising activity for two years - and whose track-record of fundraising is excellent! Other donations were received from Broughton St Mary's Parish Church, Castlebrae School, Glasgow University Music Club, InChorus Concert at St Giles Cathedral, James Gillespie High School, Nairns Oatcakes and Southside Community Orchestra. We are very grateful to all those who organize collections and fundraising activities on our behalf.

Key Sources of Funds

We continue to apply to statutory sources of funding and Trusts and Foundations and gratefully acknowledge support from the main sources of support during the year listed below. We warmly thank all our supporters including donors who prefer to remain anonymous.

City of Edinburgh Council Health & Social Care
Creative Scotland Regular Funding
Creative Scotland Youth Music Initiative
Esmee Fairbairn Foundation
Gannochy Trust
Moncur Trust
Nancy Massey Trust
PRS for Music Foundation
Trades Widows Fund
Trefoil Foundation
William Grant Foundation
Wood Foundation

FINANCIAL REVIEW

The charity reported a deficit for the year of £34,806 (2022: a deficit of £25,587) as set out in the Statement of Financial Activities. This deficit comprised a surplus of £8,009 (2022: deficit of £95,293) in restricted funds and a deficit of £30,660 in general funds (2022: surplus of £5,057) and a deficit of £12,155 in designated funds (2022: surplus of £64,649).

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The reserve position shows unrestricted funds (general and designated) have decreased to £174,852 (2022: £217,667). The Board's aim is to maintain an unrestricted reserve equivalent to at least one half of the year's wages bill. The year's wage bill in 2022/23 was £252,000, so the target figure is therefore £126,000, and therefore this aim has been achieved.

The charity's principal funding sources are detailed in the Chief Executive's Report.

Investment policy

The Directors consider that where surplus funds are available, they should be held in a suitable high interest-bearing bank account.

Risk Management

The Directors have reviewed the business and operational risks faced by the charitable company which are set out in the Risk Register in the following categories: Strategy, Finance, Reputation & Communications, Projects & Programmes, External Relationships, People. In 2020, a Covid tab was added as the pandemic had an impact on all other areas.

The main risks and action taken to mitigate them were:

- 1) Business Plan/Artistic Programme affected due to need to constantly adjust the programme with plans lacking in clarity, vision and being unfocused and unstrategic, leading to mission drift, with the need to regularly revise plans affecting our relationships with key partners and shifting our focus towards internal operations rather than looking outwards and building relationships. This was mitigated by addressing the future plans for the organisation robustly including developing a Changes Plan, and actively participating in sector networking online as well as initiating our own networks.
- 2) Lack of consultation with disabled stakeholders including artists leading to lack of relevance, reputational loss and difficulties retaining participants with low numbers returning in recovery period. This was mitigated by working with Ben Lunn as Associate Composer (and on the autism spectrum) to collaborate with a wider range of disabled musicians and artists including those in the Disabled Artist Network, and consulting with our core stakeholders on plans, with the new developments as part of the Changes Plan responding to the feedback received.
- 3) Shortfall in grant/trust income due to raised levels of need and higher competition for funds as a result, mitigated by accessing various Covid related additional funding.
- 4) Reductions in earned income and fees from local authorities, mitigated by the authorities agreeing to online provision which we implemented and by investing in new Figurenotes software and a new users' Hub designed to generate higher levels of income in future.
- 5) Staff and Freelance Team affected negatively by the pandemic, particularly in terms of freelancers giving up their work in music, and increased levels of stress and illness leading to lower mental and physical health mitigated by maintaining activities online allowing us to continue paying musicians and introducing various initiatives to support positive health and wellbeing of the team.

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

An additional 'high level' Corporate Risks Register was created during the year providing an overview of the main risks for the Company enabling the Board to consider any steps necessary to counteract them. These strategic risks were identified as:

- 1) not being able to deliver key activities and programme with resulting loss of reputation;
- 2) actual income not matching forecasted income leading to insufficient funds and not being able to cover more costs;
- 3) duty of care to staff not being met leading to poor morale and adverse reactions;
- 4) duty of care to artists and participants not being met leading to reputational damage and loss of support from key stakeholders group, and;
- 5) scope for forming and maintaining productive relationships with partners being affected.

These Key Risks faced by the charity were re-assessed during the year as we emerged from the pandemic and the ongoing impacts became evident. Action was taken to mitigate the impact on the organisation including online and hybrid working, using online and digital delivery to our advantage and ensuring accessibility of online activity, ensuring good levels of reserves were maintained and existing and new sources of funding acquired, creating a Mental Health and Wellbeing Policy and Action Plan, and continuing with the Changes Plan; with external HR and other support, in order to continue being relevant and responsive to the needs of our stakeholders.

Plans for future periods

The Chief Executive's report contains a detailed review of the company's activities during the period and plans for the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company was incorporated on 24 July 1997 and is governed by its Memorandum and Articles of Association. The company is registered as a charity and is a company limited by guarantee, the liability of each member of the charity not exceeding £1.

The Directors who served during the year and up to the date of signature of the financial statements were:

Elizabeth Humphreys	(Resigned 2 October 2023)
Richard Andrews	(Resigned 14 February 2023)
Jonathan Buglass	(Resigned 2 October 2023)
Christopher Glasgow	
David Jeffcoat	
Jack Johnson	
Bill Magee	(Resigned 30 August 2022)
Mark McKeown	
Jamie Munn	
Emma Murray	
Debbie Storm	
Frances Swift	(Resigned 14 February 2023)
Simon Warr	(Resigned 12 August 2023)
Emma Sharpe	(Appointed 12 December 2022)
Juliet Barker	(Appointed 12 December 2022)
Neil Patterson	(Appointed 12 December 2022)

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The Board of Directors, which administers the charity has no maximum number of members, however the minimum number has been set at three.

The Directors meet at least quarterly at Board Meetings and, in addition, a Finance and General Purposes Group meets at least quarterly, allowing the Board to deal with the increasing amount of business. The F&GP reports back to the main Board and Minutes are shared with all Directors. Other sub-groups meet to consider specific aspects of our work from time to time.

As set out in the Articles of Association, the Board of Directors has the power at any time, by unanimous consent, to appoint any person as a Director of the charitable company.

New Board members receive induction and may access training covering governance and management issues as they wish, depending on previous experience.

The Directors consider the key management personnel to be the Board of Directors, who are the charity's trustees, the Chief Executive, the Artistic Director and the Head of Learning. The key management personnel of the charitable company are in charge of directing and controlling, running and operating the charity on a day to day basis. All Directors give of their time freely and no Director received remuneration during the period. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings.

None of the Directors receive remuneration or other benefit from their work with the charity but may claim out of pocket expenses. Any connection between a Director or senior manager of the charity with a funder, musician or beneficiary must be disclosed to the full board of Directors in the same way as any other contractual relationship with a related party. Details of related party transactions are set out in the notes to the financial statements.

Statement of Directors' responsibilities

The directors, who also act as trustees for the purpose of charity law, are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Directors 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 UK 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 Charity will continue in operation.

The Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Thomson Cooper be reappointed as auditor of the charitable company will be put to the Annual General Meeting.

DRAKE MUSIC SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Disclosure of information to auditor

Each of the Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Directors' report was approved by the Board of Directors.

Juliet Barker

Juliet Barker
Director

Emma Murray

Emma Murray
Director

11 December 2023

DRAKE MUSIC SCOTLAND

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS AND TRUSTEES OF DRAKE MUSIC SCOTLAND

Opinion

We have audited the financial statements of Drake Music Scotland (the 'Charity') for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 30 June 2023 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 requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Charity 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 Directors' 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 Charity'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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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. 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.

DRAKE MUSIC SCOTLAND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF DRAKE MUSIC SCOTLAND

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper 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 Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors 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 Directors 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 Directors are responsible for assessing the Charity'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 Directors 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 auditor under Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

DRAKE MUSIC SCOTLAND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS AND TRUSTEES OF DRAKE MUSIC SCOTLAND

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including applicable charity and company law and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the charity.

We communicated identified laws and regulations and potential fraud risks throughout our team and remained alert to any indications of non-compliance or fraud throughout the audit. However the primary responsibility for the prevention and detection of fraud rests with the Directors.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 and to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fiona Haro

Fiona Haro (Senior Statutory Auditor)
for and on behalf of Thomson Cooper
Statutory Auditor
Dunfermline

13-12-23
.....

Thomson Cooper is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DRAKE MUSIC SCOTLAND**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 30 JUNE 2023****Current financial year**

		Unrestricted funds	Unrestricted funds	Restricted funds	Total	Total
		General	Designated			
		2023	2023	2023	2023	2022
	Notes	£	£	£	£	£
<u>Income from:</u>						
Donations and legacies	3	252,522	-	-	252,522	296,988
Income from charitable activities	4	214,886	-	138,239	353,125	338,115
Other trading income	5	10,306	-	-	10,306	10,662
Investments	6	2,189	-	-	2,189	116
Total income		479,903	-	138,239	618,142	645,881
<u>Expenditure on:</u>						
Raising funds	7	36,090	-	-	36,090	30,925
Cost of charitable activities	8	486,628	-	130,230	616,858	640,543
Total expenditure		522,718	-	130,230	652,948	671,468
Net (outgoing)/incoming resources before transfers		(42,815)	-	8,009	(34,806)	(25,587)
Gross transfers between funds		12,155	(12,155)	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(30,660)	(12,155)	8,009	(34,806)	(25,587)
Fund balances at 1 July 2022		153,018	64,649	56,923	274,590	300,177
Fund balances at 30 June 2023		122,358	52,494	64,932	239,784	274,590

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

All income and expenditure derive from continuing activities.

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

The notes on pages 16 to 30 form part of these financial statements.

DRAKE MUSIC SCOTLAND**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 30 JUNE 2023****Prior financial year**

		Unrestricted funds General 2022 £	Unrestricted funds Designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	271,988	-	25,000	296,988
Income from charitable activities	4	210,683	-	127,432	338,115
Other trading income	5	10,662	-	-	10,662
Investments	6	116	-	-	116
Total income		493,449	-	152,432	645,881
<u>Expenditure on:</u>					
Raising funds	7	30,925	-	-	30,925
Cost of charitable activities	8	392,818	-	247,725	640,543
Total expenditure		423,743	-	247,725	671,468
Net (outgoing)/incoming resources before transfers		69,706	-	(95,293)	(25,587)
Gross transfers between funds		(64,649)	64,649	-	-
Net (expenditure)/income for the year/ Net movement in funds		5,057	64,649	(95,293)	(25,587)
Fund balances at 1 July 2021		147,961	-	152,216	300,177
Fund balances at 30 June 2022		153,018	64,649	56,923	274,590

DRAKE MUSIC SCOTLAND**BALANCE SHEET****AS AT 30 JUNE 2023**

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		25,313		20,998
Current assets					
Stocks		3,408		1,778	
Debtors	14	60,564		66,300	
Cash at bank and in hand		231,994		278,391	
		295,966		346,469	
Creditors: amounts falling due within one year	15	(81,495)		(92,877)	
Net current assets			214,471		253,592
Total assets less current liabilities			239,784		274,590
Income funds					
Restricted funds	17		64,932		56,923
<u>Unrestricted funds</u>					
Designated funds	18	52,494		64,649	
General unrestricted funds		122,358		153,018	
			174,852		217,667
			239,784		274,590

The notes on pages 16 to 30 form part of these financial statements.

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

The financial statements were approved by the Directors on 11 December 2023

Emma Murray
Emma Murray
Trustee

Juliet Barker
Juliet Barker
Trustee

Company registration number SC177502

DRAKE MUSIC SCOTLAND**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(33,299)		47,504
Investing activities					
Purchase of tangible fixed assets		(15,287)		(16,600)	
Investment income received		2,189		116	
Net cash used in investing activities			(13,098)		(16,484)
Net cash used in financing activities					
Net (decrease)/increase in cash and cash equivalents			(46,397)		31,020
Cash and cash equivalents at beginning of year			278,391		247,371
Cash and cash equivalents at end of year			231,994		278,391

The notes on pages 16 to 30 form part of these financial statements.

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Charity information

Drake Music Scotland is a private company limited by guarantee incorporated in Scotland. The registered office and principal place of business is SPACE, 11 Harewood Road, Edinburgh, EH16 4NT.

The charity is limited by guarantee and does not have share capital. Each member of the charity undertakes to contribute no sum greater than £1 to the charity's assets, if it should be wound up while he or she is a member or within one year after he or she ceases to be a member.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

The accounts have been prepared on a going concern basis. The Directors have fully considered the financial position of the charity for a period of at least 12 months from the date of approving the accounts with reference to current reserves, budgets for the forthcoming year, and future forecasts of the level of income and expenditure. The Directors have concluded that the charity is a going concern and are satisfied that it remains appropriate to continue to prepare the accounts on the going concern basis.

1.3 Charitable funds

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

Designated funds are set aside from Directors from unrestricted funds that is earmarked for future projects or to account for particular unrestricted expenditure separate from the charity's general funds.

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

1.4 Income

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

Donations and similar income are recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Grants receivable are credited to the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Deferred income represents amounts received for future year and is released to income in the year for which it relates.

1.5 Expenditure

Expenditure, which includes irrecoverable VAT, is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Costs of raising funds comprise those costs associated with attracting voluntary income.

Costs of charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both those costs that can be allocated directly to such activities and those of an indirect nature necessary to support them including governance costs.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity can be allocated directly, others are apportioned on an appropriate basis as set out in the notes.

1.6 Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost. Tangible fixed assets are stated at cost, less depreciation provided at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life as follows:

Fit Out	3 years
Music Studio	4 years
Fixtures and fittings	4 years
Music equipment	4 years
Bikes	3 years
Office equipment	4 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

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

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments (such as debtors for income and creditors for operating costs). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.12 Employee benefits

The charity contributes to a defined contribution scheme for its staff. The pension costs charged in the accounts represent the contributions payable by the charity during the period.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Directors are required 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DRAKE MUSIC SCOTLAND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2023**3 Donations and legacies**

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	15,540	4,672	25,000	29,672
Grants	236,982	267,316	-	267,316
	<u>252,522</u>	<u>271,988</u>	<u>25,000</u>	<u>296,988</u>

4 Income from charitable activities

	Total 2023 £	Total 2022 £
Local authorities	196,327	192,491
Trusts	130,969	114,844
Other income - fees	25,829	30,780
	<u>353,125</u>	<u>338,115</u>
Analysis by fund		
Unrestricted funds - general	214,886	210,683
Restricted funds	138,239	127,432
	<u>353,125</u>	<u>338,115</u>

5 Other trading income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Subscriptions	-	1,968
Materials	10,306	8,694
	<u>10,306</u>	<u>10,662</u>

DRAKE MUSIC SCOTLAND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****6 Investments**

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	2,189	116

7 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Staff costs	36,090	30,925
	36,090	30,925

DRAKE MUSIC SCOTLAND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****8 Cost of charitable activities**

	Skills & Leadership 2023 £	All Join In 2023 £	Music Space 2023 £	Centre Stage 2023 £	First Port 2023 £	Equipment Funds 2023 £	Total 2023 £	Total 2022 £
Staff costs	45,554	41,315	29,103	52,063	-	-	168,035	147,642
Freelance musicians	10,869	112,070	56,766	48,069	-	-	227,774	226,758
Travel and subsistence	6,991	15,682	7,999	20,016	-	-	50,688	22,393
Materials	6,420	6,914	8,374	4,265	-	-	25,973	86,944
Venue	-	-	15,000	-	-	-	15,000	14,985
Marketing	-	-	-	133	1,960	-	2,093	8,573
	<u>69,834</u>	<u>175,981</u>	<u>117,242</u>	<u>124,546</u>	<u>1,960</u>	<u>-</u>	<u>489,563</u>	<u>507,295</u>
Share of support costs (see note 9)	7,863	42,537	28,339	30,104	6,308	3,127	118,278	127,979
Share of governance costs (see note 9)	9,017	-	-	-	-	-	9,017	5,269
	<u>86,714</u>	<u>218,518</u>	<u>145,581</u>	<u>154,650</u>	<u>8,268</u>	<u>3,127</u>	<u>616,858</u>	<u>640,543</u>
Analysis by fund								
Unrestricted funds - general	54,438	211,213	109,692	115,544	(1,390)	(2,869)	486,628	392,818
Restricted funds	32,276	7,305	35,889	39,106	9,658	5,996	130,230	247,725
	<u>86,714</u>	<u>218,518</u>	<u>145,581</u>	<u>154,650</u>	<u>8,268</u>	<u>3,127</u>	<u>616,858</u>	<u>640,543</u>

DRAKE MUSIC SCOTLAND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****8 Cost of charitable activities****(Continued)****For the year ended 30 June 2022**

	Skills & Leadership £	All Join In £	Music Space £	Centre Stage £	First Port £	Equipment Funds £	Total 2022 £
Staff costs	47,580	33,852	24,914	41,296	-	-	147,642
Freelance musicians	32,824	107,618	45,619	40,697	-	-	226,758
Travel and subsistence	2,805	10,347	3,820	5,421	-	-	22,393
Materials	70,183	5,211	9,307	2,243	-	-	86,944
Venue	-	-	14,650	335	-	-	14,985
Marketing	853	-	-	633	7,087	-	8,573
	<u>154,245</u>	<u>157,028</u>	<u>98,310</u>	<u>90,625</u>	<u>7,087</u>	<u>-</u>	<u>507,295</u>
Share of support costs (see note 9)	28,264	34,138	21,373	19,702	11,815	12,687	127,979
Share of governance costs (see note 9)	5,269	-	-	-	-	-	5,269
	<u>187,778</u>	<u>191,166</u>	<u>119,683</u>	<u>110,327</u>	<u>18,902</u>	<u>12,687</u>	<u>640,543</u>
Analysis by fund							
Unrestricted funds - general	61,773	191,166	74,413	65,466	-	-	392,818
Restricted funds	126,005	-	45,270	44,861	18,902	12,687	247,725
	<u>187,778</u>	<u>191,166</u>	<u>119,683</u>	<u>110,327</u>	<u>18,902</u>	<u>12,687</u>	<u>640,543</u>

DRAKE MUSIC SCOTLAND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2023**9 Support costs**

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	48,490	-	48,490	44,027	-	44,027
Depreciation	10,972	-	10,972	6,881	-	6,881
Premises costs	19,510	-	19,510	19,246	-	19,246
Repairs and renewals	6,172	-	6,172	25,946	-	25,946
Training	2,280	-	2,280	4,865	-	4,865
Travel and subsistence	1,621	-	1,621	248	-	248
Photocopier, stationery and postage	2,589	-	2,589	3,604	-	3,604
Subscriptions, marketing and literature	7,878	-	7,878	6,368	-	6,368
Telephone	1,459	-	1,459	1,383	-	1,383
Bookkeeping fees	6,500	-	6,500	6,400	-	6,400
Insurance	6,703	-	6,703	4,698	-	4,698
Technical support and bank charges	4,104	-	4,104	4,313	-	4,313
Audit fees	-	8,130	8,130	-	4,870	4,870
Legal and professional	-	887	887	-	399	399
	<u>118,278</u>	<u>9,017</u>	<u>127,295</u>	<u>127,979</u>	<u>5,269</u>	<u>133,248</u>
Analysed between Charitable activities	<u>118,278</u>	<u>9,017</u>	<u>127,295</u>	<u>127,979</u>	<u>5,269</u>	<u>133,248</u>

The charity allocates its support costs as shown in the table above and then further apportions those costs between the charitable activities undertaken. Support costs are allocated on a basis consistent with the use of the resources but are only allocated to restricted funds as funding allows.

10 Directors

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

Expenses reimbursed to Directors for costs incurred on behalf of the charity amounted to £Nil (2022: £2,004).

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	<u>8</u>	<u>9</u>

DRAKE MUSIC SCOTLAND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2023**11 Employees (Continued)**

Employment costs	2023	2022
	£	£
Wages and salaries	228,285	203,169
Social security costs	17,415	13,378
Other pension costs	6,915	6,047
	<u>252,615</u>	<u>222,594</u>

Total remuneration (gross salary, employer's national insurance and pension contributions) paid to key management personnel was £169,784 (2022: £136,166).

There were no employees whose annual remuneration was more than £60,000.

12 Net income/(expenditure) for the year

	2023	2022
	£	£
Operating for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	8,130	4,870
Depreciation of owned tangible fixed assets	<u>10,972</u>	<u>6,881</u>

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

13 Tangible fixed assets

	Fit Out	Music Studio	Fixtures and fittings	Music equipment	Bikes	Office equipment	Total
	£	£	£	£	£	£	£
Cost							
At 1 July 2022	78,238	25,787	-	120,438	-	76,882	301,345
Additions	-	-	2,510	5,121	6,111	1,545	15,287
At 30 June 2023	78,238	25,787	2,510	125,559	6,111	78,427	316,632
Depreciation and impairment							
At 1 July 2022	78,238	25,787	-	106,611	-	69,711	280,347
Depreciation charged in the year	-	-	418	5,186	509	4,859	10,972
At 30 June 2023	78,238	25,787	418	111,797	509	74,570	291,319
Carrying amount							
At 30 June 2023	-	-	2,092	13,762	5,602	3,857	25,313
At 30 June 2022	-	-	-	13,827	-	7,171	20,998

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

14 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	39,535	54,680
Other debtors	19,685	7,600
Prepayments and accrued income	1,344	4,020
	<u>60,564</u>	<u>66,300</u>

15 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		5,693	2,594
Deferred income	16	-	8,654
Trade creditors		55,458	58,150
Accruals and deferred income		20,344	23,479
		<u>81,495</u>	<u>92,877</u>

16 Deferred income

	2023 £	2022 £
Arising from Services not yet provided	-	8,654
	<u>-</u>	<u>8,654</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	-	8,654
	<u>-</u>	<u>8,654</u>
Movements in the year:		
Deferred income at 1 July 2022	8,654	10,000
Released from previous periods	(8,654)	(10,000)
Resources deferred in the year	-	8,654
	<u>-</u>	<u>8,654</u>
Deferred income at 30 June 2023	-	8,654
	<u>-</u>	<u>8,654</u>

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 July 2021	Income	Expenditure	Balance at 1 July 2022	Income	Expenditure	Balance at 30 June 2023
	£	£	£	£	£	£	£
Centre Stage	2,180	46,300	(44,861)	3,619	24,115	(27,734)	-
MusicSPACF	7,555	45,270	(47,994)	4,831	33,058	(35,889)	2,000
Adapt & Thrive	28,560	-	(18,902)	9,658	-	(9,658)	-
S&L - CS YMI	16,325	-	(4,349)	11,976	2,175	(14,151)	-
S&L - Scottish Power	50,000	-	(47,360)	2,640	-	(2,640)	-
S&L - CS YATF	47,596	6,188	(53,784)	-	-	-	-
S&L - CS YMI	-	29,674	(20,512)	9,162	7,418	(15,485)	1,095
Foyle Foundation	-	25,000	(9,963)	15,037	-	(5,996)	9,041
Learn CS YMI	-	-	-	-	60,101	(7,305)	52,796
Centre Stage - Inclusion	-	-	-	-	11,372	(11,372)	-
	<u>152,216</u>	<u>152,432</u>	<u>(247,725)</u>	<u>56,923</u>	<u>138,239</u>	<u>(130,230)</u>	<u>64,932</u>

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

17 Restricted funds

(Continued)

Centre Stage

Our programme of main high-profile projects and performances primarily in partnership with mainstream organisations. This includes a grant from the RS Macdonald Charitable Trust Small Grants fund towards the Disabled Arts Network.

MusicSPACE

Income from music tuition provided to participants at our base at SPACE, Craigmillar and grant funding from Edinburgh Integration Joint Board, RS Macdonald Charitable Trust, and various other income sources.

Scottish Government Adapt & Thrive

A fund established to help Third Sector organisations adapt to the challenges presented by Covid-19 pandemic.

Skills & Leadership - CS YMI

A Creative Scotland Youth Music Initiative fund for training and sector development.

Skills & Leadership - Scottish Power

A grant awarded by the Scottish Power Foundation for Figurenotes development

Skills & Leadership - CS YATF

A grant awarded from the Scottish Government's Youth Arts Targeted Fund for online delivery in new local authority areas.

Skills & Leadership - CS YMI Diversity

A fund for a project with Intercultural Youth Scotland

Foyle Foundation Equipment

A grant was awarded for equipment purchase.

Learn CS YMI

A grant from Creative Scotland YMI Access fund was given towards a new Digital Orchestra: Youth project in 4 areas of Scotland.

Centre Stage Inclusion Fund

A grant from Creative Scotland's Create Inclusion fund to music creator Karen Sutherland for the 'Entwine' music project with Kris Halpin and performance at Cryptic Nights.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Transfers	Balance at	Transfers	Balance at
		1 July 2022		30 June 2023
	£	£	£	£
Creative Access Officer Fund	64,649	64,649	(12,155)	52,494
	64,649	64,649	(12,155)	52,494

Creative Access Officer Fund

Creative Scotland Recovery grant has been used to create a new post of Creative Access Officer including full-time salary and on-costs and will be accounted through this designated fund.

DRAKE MUSIC SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

19 Analysis of net assets between funds :

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 30 June 2023 are represented by:							
Tangible assets	19,075	-	6,238	25,313	13,827	7,171	20,998
Current assets/(liabilities)	103,283	52,494	58,694	214,471	139,191	49,752	253,592
	<u>122,358</u>	<u>52,494</u>	<u>64,932</u>	<u>239,784</u>	<u>153,018</u>	<u>56,923</u>	<u>274,590</u>

DRAKE MUSIC SCOTLAND**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 JUNE 2023****20 Operating lease commitments**

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	15,470	16,171
Between two and five years	27,082	-
	<u>42,552</u>	<u>16,171</u>

21 Related party transactions

There were no disclosable related party transactions in the year.

22 Pension

The charity contributes to defined contribution pension schemes for certain employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted for £6,915 (2022: £6,047). At 30 June 2023, £796 (2022: £614) was due to be paid to the pension schemes.

23 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(34,806)	(25,587)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,189)	(116)
Depreciation and impairment of tangible fixed assets	10,972	6,881
Movements in working capital:		
(Increase)/decrease in stocks	(1,630)	374
Decrease in debtors	5,736	6,599
(Decrease)/increase in creditors	(2,728)	60,699
(Decrease) in deferred income	(8,654)	(1,346)
Cash (absorbed by)/generated from operations	<u><u>(33,299)</u></u>	<u><u>47,504</u></u>

Thomson Cooper
Statutory Auditors
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

Dear Sirs,

This representation letter is provided in connection with your audit of the financial statements of Drake Music Scotland for the year ended 30 June 2023 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of Drake Music Scotland as of 30 June 2023 and of the results of its operations for the year then ended in accordance with United Kingdom Generally Accepted Accounting Practice.

We acknowledge our responsibility for the fair presentation of the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice.

We confirm to the best of our knowledge and belief, the following representations:

1. **General**

We acknowledge as officers of the company our responsibilities under the Companies Act 2006 for preparing financial statements which give a true and fair view and for making accurate representations to you. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the company have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management meetings, have been made available to you.

2. **Going Concern**

We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding will be adequate for the charity's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that sufficient disclosures relating to the charity's ability to continue as a going concern have been made in the financial statements.

3. **Loans and arrangements**

The charity has not had, or entered into, at any time **during** the period any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for Directors or to guarantee or provide security for such matters.

4. **Transactions with related parties**

All transactions with related parties have been disclosed in the financial statements. We have made available to you all relevant information concerning such transactions and are not aware of any other matters, which require disclosure in order to comply with the requirement of the Financial Reporting Standard 102.

5. **Laws and regulations**

We are not aware of any irregularities involving the Directors or employees of the charity: nor are we aware of any breaches or possible breaches of statute, regulations, contracts or agreements which might prejudice the going concern status or that might result in the charity suffering significant penalties or other loss. No allegations of such irregularities or such breaches have come to our notice.

6. **Fraud**

We acknowledge our responsibility for the design and implementation of internal controls and procedures to prevent and detect fraud. We have disclosed to you any actual or suspected fraud involving the Directors, employees with significant roles in internal controls, and all instances where the fraud could have a material effect on the financial statements.

7. **Post-balance sheet events**

There have been no further events since the balance sheet date which necessitate revision of the figures included in the financial statements or inclusion of a note thereto other than that already noted in the accounts. Should further material events occur, which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.

8. **Grants and donations**

All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you as well as the corresponding expenditure. There have been no breaches of terms or conditions during this period in the application of such income.

Yours faithfully

Juliet Barker

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Juliet Barker

Emma Murray

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Emma Murray

Date: 11 December 2022