

REGISTERED COMPANY NUMBER: 07887876 (England and Wales)
REGISTERED CHARITY NUMBER: 1152503

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2019
for
'ON THE EDGE' FUSION YOUTH ORCHESTRA

S A R Accountants
Shire Barn
Hewell Lane
Tardebigge
Worcestershire

'ON THE EDGE' FUSION YOUTH ORCHESTRA

Contents of the Financial Statements
for the Year Ended 31 December 2019

	Page
Report of the Trustees	1 to 3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 9

Report of the Trustees
for the Year Ended 31 December 2019

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 2019. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

As stated in its Memorandum and Articles of Association (constitution), 'On The Edge' (OTE) objects are to advance, improve, develop and maintain public education in, and appreciation of, the art and science of music in all aspects by any means the trustees see fit including through the presentation of public concerts and recitals.

The charity's aims are to develop education and appreciation of all aspects of fusion music, for young musicians and others, by the presentation of public concerts, workshops, and training. To nurture access and involvement in a wider range of musical styles. To provide a range of musical and non-musical creative opportunities for all Birmingham young people interested in fusion music regardless of background.

Significant activities

2019 was another successful year of teaching and learning projects with positive feedback from participants, musicians and partners.

The project Scratch Studios funded by Awards for All ended in a professional recording of the first album, Incertae for the John Hirst quartet, showcased at Summerfield Community Centre.

Logistical and infrastructural changes necessitated rehousing of all OTE equipment under one roof. A central storage facility is now rented as an essential requirement for efficient OTE operations.

The third music and dance summer school, Streetstra, funded by trusts and foundations including Midcounties COOP and Welsh House Farm Big Local was musically directed by drummer John Hirst, and operated at Welsh House Farm School, with volunteers recruited from Do-it and Vinspired. The project finale, a group performance as part of the Energise Festival organised by Big Local WHF, which was warmly welcomed by families and the wider audience.

OTE involvement in Artsmile, with music tasters and live performance, supported by ARTSCOOP remains successful with positive feedback from all those attending.

OTE's relationship with Starbucks Five Ways continued to bring emerging jazz musicians to a new audience.

Public benefit

The Trustees have complied with the duty in Section 17 of the Charities Act 2011 and have had regard to the guidance issued by the Charity Commission on public benefit at their Board meetings.

Volunteers

Board level volunteers are vital to the success of the organisation, especially as 'On The Edge' is currently recruiting a new cohort of trustees. Trustee input permeates through all levels of OTE infrastructure, from recruiting new trustees, developing new partnerships, searching out new funding streams or supporting members of OTE Team V - young volunteer recruits who are committed to gaining experience in a wider range of arts management skills, new recruits are always welcome and we induct new cohorts regularly. Induction of undergraduate musicians supports ongoing CPD as well as the charity's development and leads to a variety of work opportunities for musicians later in the year.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Music making of all kinds is the foundation of instrumental teaching in community workshops, rehearsals and schools providing primary, secondary schools and college students with support, resources, equipment and help to train new music teachers where required. OTE employed a team of musicians in 2019 that participated in public performances, workshops and presented events for over 700 young people and 2000 adults. Young people from all across the city were involved in the OTE Team V training programme.

Fundraising activities

A successful ongoing strategy exists to respond to project opportunities with a variety of partners and to continue to maintain an extensive equipment resource. Joint fundraising activities were trialled in the community and online donations are developing. Further funding developments continue to plan for long-term growth and delivery across a wider region.

Report of the Trustees
for the Year Ended 31 December 2019

ACHIEVEMENT AND PERFORMANCE

Internal and external factors

Factors relevant are succession planning for renewing directors on the board, recruiting new directors with current skill requirements, a committed team of young volunteers from across the city of Birmingham, fundraising capacity in line with funding climate and level/needs of development and a pool of young people wishing to participate in music making activities.

FINANCIAL REVIEW

Financial position

The income generated from grants and donations for the year amounted to £7,769 (2018 £27,969). Expenditure on charitable activities amounted to £12,561 (2018 £10,549) and support costs of £8,624 (2018 £10,262).

Principal funding sources

Currently principal funding is a mix of donations, crowdfunding and trusts and foundations, which supports developing projects, equipment and training.

Reserves policy

Plans for reserves are under on-going discussion with a view to next steps and further development of the organisation, and a larger board is expected to take these plans further to establish reserves of 30% of the organisation's annual running costs within the next five years.

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

FUTURE PLANS

OTE developed projects with a range of existing partners and these partnerships are set to continue in 2020.

Undergraduate, graduate and post-graduate musicians continue to benefit from teaching and performance opportunities through community events and the varied projects of the charity's programme. A training programme to support web content development, pastoral care, and to inspire young OTE volunteers in maintaining the community activities of the charity remains a priority.

Recruitment of a cohort of under-graduate and graduate teaching musicians provides specialism in regular workshops, designed to train and support young music makers, often in making music for the first time. Tutors who are part of the 'On The Edge' musician pool can also help to support school teachers where required. Children and young people have started to perform alongside teaching musicians, for their peers and at public events and OTE aim to identify new opportunities to increase their participation in live performances, including providing accessible opportunities for Arts Awards.

OTE continues to establish more links with organisations that work with young people with challenging circumstances - those who are under served by local provision, who have special educational needs, and those who have irregular and few opportunities. We continue to collaborate with young people from a wide variety of cultural backgrounds through our links with various Academics, Colleges and Youth Centres and links in a number of priority areas in the city of Birmingham and beyond.

The third year of our summer school, Streetestra and Scratch Studios activities created new opportunities for new communities and older young people (up to 25) to get involved with OTE, and gain skills to use as evidence for Arts Awards and volunteering.

Streetestra continues to provide an intensive high quality music making experience that incorporates opportunities to improve facility on diverse instruments, listening, improvisation and composition training, and increase new audience engagement with the local community and a fourth summer school is set for 2020.

Through feedback from Scratch Studio projects we are developing funds to support methods of working with diverse communities to increase collaborative cultural engagement.

We continue to work with local children and young people to inspire regular music making and participation in community music projects, events and performances. We also support emerging professional musicians to help them fulfil their potential. We are focussed on developing and funding existing and new projects with a long-term forecast that is committed to making music with all age groups from early years to the elderly.

Report of the Trustees
for the Year Ended 31 December 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Recruitment and appointment of new trustees

The appointment of the Board of Trustees (the Executive Committee) is governed by the charity's constitution. The Executive Committee shall have no fewer than 4 trustees and no more than 12. All trustees are made familiar with the practical work of the charity. New trustees are invited first to attend a meeting with the Board members and executive before committing themselves to being recruited. The charity's literature and activities allow new audiences, including potential new trustees, to familiarise themselves with the charity and the context within which it operates. The Trustee Handbook and other Charity Commission publications are made available to new trustees, advising them of their legal responsibilities.

Organisational structure

The Board meets quarterly and is responsible for the direction and policy making of the charity. Three new board members have been identified with a meeting to include them scheduled for early 2020. All Board members have voting rights. Day-to-day responsibility rests with the Founder and Executive Director, Fiona Ord-Shrimpton who oversees programming and administrative and managerial matters. Additional, specialist support is bought in by way of a number of freelance contractors (including musicians, dancers, instructors, sound engineers, training). Training opportunities for work placements, apprenticeships and internships are provided when funds are available.

Wider network

'On The Edge' is a member of Making Music.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07887876 (England and Wales)

Registered Charity number

1152503

Registered office

7 Regent Road
Harborne
Birmingham
West Midlands
B17 9JU

Trustees

Ms F Ord-Shrimpton
A Ellahi
R Adams

Approved by order of the board of trustees on 21 September 2020 and signed on its behalf by:

Ms F Ord-Shrimpton - Trustee

'ON THE EDGE' FUSION YOUTH ORCHESTRA

Statement of Financial Activities
for the Year Ended 31 December 2019

	Notes	Unrestricted fund £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		1,819	5,950	7,769	27,969
EXPENDITURE ON					
Charitable activities					
Concerts, workshops and training		1,047	20,138	21,185	20,811
NET INCOME/(EXPENDITURE)		<u>772</u>	<u>(14,188)</u>	<u>(13,416)</u>	<u>7,158</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		2,712	22,551	25,263	18,105
TOTAL FUNDS CARRIED FORWARD		<u><u>3,484</u></u>	<u><u>8,363</u></u>	<u><u>11,847</u></u>	<u><u>25,263</u></u>

The notes form part of these financial statements

'ON THE EDGE' FUSION YOUTH ORCHESTRA (Registered number: 07887876)

Balance Sheet
31 December 2019

	Notes	Unrestricted fund £	Restricted funds £	31.12.19 Total funds £	31.12.18 Total funds £
FIXED ASSETS					
Tangible assets	5	-	6,154	6,154	8,385
CURRENT ASSETS					
Cash at bank		3,784	2,209	5,993	17,518
CREDITORS					
Amounts falling due within one year	6	(300)	-	(300)	(640)
NET CURRENT ASSETS		<u>3,484</u>	<u>2,209</u>	<u>5,693</u>	<u>16,878</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,484	8,363	11,847	25,263
NET ASSETS FUNDS	7	<u>3,484</u>	<u>8,363</u>	<u>11,847</u>	<u>25,263</u>
Unrestricted funds				3,484	2,712
Restricted funds				8,363	22,551
TOTAL FUNDS				<u>11,847</u>	<u>25,263</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.
- (b)

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 September 2020 and were signed on its behalf by:

F Ord-Shrimpton - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been 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.

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

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.

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 cost 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.

Tangible fixed assets

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

Musical instruments	- 20% on cost
Motor vehicles	- 20% on reducing balance
Computer equipment	- 20% on cost

Taxation

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

Fund accounting

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

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

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

'ON THE EDGE' FUSION YOUTH ORCHESTRA

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

2. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Concerts, workshops and training	<u>8,310</u>	<u>314</u>	<u>8,624</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

		31.12.19	31.12.18
		£	£
Depreciation - owned assets		<u>2,231</u>	<u>2,785</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

Fiona Ord-Shrimpton received fees relating to project planning and project management of £4,800 during the year ended 31st December 2019 (2018 - £4,800). There were no other trustee' remuneration or other benefits for the year ended 31st December 2019 nor for the year ended 31st December 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2019 nor for the year ended 31 December 2018.

5. TANGIBLE FIXED ASSETS

	Musical instruments £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 January 2019 and 31 December 2019	<u>7,904</u>	<u>13,871</u>	<u>3,925</u>	<u>25,700</u>
DEPRECIATION				
At 1 January 2019	7,299	7,213	2,803	17,315
Charge for year	<u>575</u>	<u>1,330</u>	<u>326</u>	<u>2,231</u>
At 31 December 2019	<u>7,874</u>	<u>8,543</u>	<u>3,129</u>	<u>19,546</u>
NET BOOK VALUE				
At 31 December 2019	<u>30</u>	<u>5,328</u>	<u>796</u>	<u>6,154</u>
At 31 December 2018	<u>605</u>	<u>6,658</u>	<u>1,122</u>	<u>8,385</u>

'ON THE EDGE' FUSION YOUTH ORCHESTRA

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2019**

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.19	31.12.18
	£	£
Accrued expenses	<u>300</u>	<u>640</u>

7. MOVEMENT IN FUNDS

	At 1.1.19	Net movement in funds	At 31.12.19
	£	£	£
Unrestricted funds			
General fund	2,712	772	3,484
Restricted funds			
Schools outreach & workshops	15,893	(12,858)	3,035
Motor vehicle & equipment	<u>6,658</u>	<u>(1,330)</u>	<u>5,328</u>
	<u>22,551</u>	<u>(14,188)</u>	<u>8,363</u>
TOTAL FUNDS	<u>25,263</u>	<u>(13,416)</u>	<u>11,847</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,819	(1,047)	772
Restricted funds			
Schools outreach & workshops	5,950	(18,808)	(12,858)
Motor vehicle & equipment	<u>-</u>	<u>(1,330)</u>	<u>(1,330)</u>
	<u>5,950</u>	<u>(20,138)</u>	<u>(14,188)</u>
TOTAL FUNDS	<u>7,769</u>	<u>(21,185)</u>	<u>(13,416)</u>

Comparatives for movement in funds

	At 1.1.18	Net movement in funds	Transfers between funds	At 31.12.18
	£	£	£	£
Unrestricted funds				
General fund	2,180	532	-	2,712
Restricted funds				
Schools outreach & workshops	3,582	7,681	4,630	15,893
Motor vehicle & equipment	<u>12,343</u>	<u>(1,055)</u>	<u>(4,630)</u>	<u>6,658</u>
	<u>15,925</u>	<u>6,626</u>	<u>-</u>	<u>22,551</u>
TOTAL FUNDS	<u>18,105</u>	<u>7,158</u>	<u>-</u>	<u>25,263</u>

'ON THE EDGE' FUSION YOUTH ORCHESTRA

Notes to the Financial Statements - continued
for the Year Ended 31 December 2019

7. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	895	(363)	532
Restricted funds			
Schools outreach & workshops	27,075	(19,394)	7,681
Motor vehicle & equipment	(1)	(1,054)	(1,055)
	<u>27,074</u>	<u>(20,448)</u>	<u>6,626</u>
TOTAL FUNDS	<u>27,969</u>	<u>(20,811)</u>	<u>7,158</u>

8. RELATED PARTY DISCLOSURES

Fiona Ord-Shrimpton, a director and trustee, received fees relating to project planning and project management services of £4,800 during the year ended 31st December 2019 (2018 - £4,800)

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.