

The Organisation for New Music and Sound

"Sound and Music"

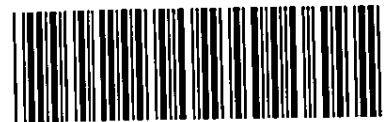
Registered charity
Company limited by guarantee

Annual Report and Financial Statements

Year Ended 31 March 2011

Charity number 1124609
Company number 06581022

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**The Organisation for New Music and Sound
Annual Report and Financial Statements
For the Year Ended 31 March 2011**

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**The Organisation for New Music and Sound
Annual Report and Financial Statements
For the Year Ended 31 March 2011**

Reference and Administrative Information

Governing document	Memorandum and Articles of Association
Other name by which the charity makes itself known	Sound and Music (SaM)
Charity number	1124609
Company number	06581022
Trustees	David Aspinall Simon Emmerson Cliff Fluett (Appointed December 2010) Christopher Fox (Appointed June 2010) Debra King Michelle Wright – Chair
Managing Director	Guy Morley
Registered Office	Somerset House Strand London WC2R 1LA
Auditors	Clarty Chartered Accountants 2 Lancaster Close Stevenage Hertfordshire SG1 4RX
Investment managers	Seven Investment Management Limited 125 Old Broad Street London EC2N 1AR
Principal bankers	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Solicitors	Bates, Wells & Braithwaite London LLP 2-6 Cannon Street London EC4M 6YH

The Organisation for New Music and Sound

Report of the Trustees

For the Year Ended 31 March 2011

The trustees of The Organisation for New Music and Sound, operating as "Sound and Music" (SaM), are pleased to present their report together with the audited financial statements for the year ended 31 March 2011

The reference and administrative information set out on page 1 forms part of this report

The financial statements comply with current statutory requirements and the Statement of Recommended Practice – "Accounting and Reporting by Charities" (revised 2005)

1 STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

SaM is a registered charity and a company limited by guarantee. SaM was incorporated on 30 April 2008 and registered as a charity on 20 June 2008. On 30 September 2008, the charity took over the activities previously undertaken by the Society for the Promotion of New Music (SPNM), Sonic Arts Network (SAN), the British Music Information Centre (BMIC), and Contemporary Music Network (CMN), the latter being an operating unit of Arts Council England. SaM is governed by its Memorandum and Articles of Association.

SaM is constituted as a company limited by guarantee and has no share capital. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1.

The Board and its role

The governing body for SaM is the Board, whose members are non-executive and unpaid. They are directors of the company under the Companies Act and trustees under charity law. The Board gives strategic and policy direction for the organisation.

In 2010/11 the SaM Board

- Approved an Operational Plan for 2010/11,
- Continued meetings of Board sub-committees for Finance, Advocacy, Fundraising, and Nominations and Governance,
- Established a new task and deliver working group to prepare the Arts Council England funding application,
- Reviewed its policies and procedures

The Board met five times in the period, preceded four times by the Finance Committee. Meetings of the SaM Board were usually attended by the SaM Executive Director, Creative Director, Finance Director and SaM Board Administrator (until December 2010).

There shall be at least 3 but no more than 12 trustees. At each annual retirement meeting one quarter of the trustees, being those longest in office, shall retire from office and offer themselves for re-election.

Christopher Fox joined the Board in June 2010, Sarah Faulder resigned in September 2010, Clifford Fluet joined in December 2010, Guy Morley resigned in June 2011, Sonita Alleyne and Sally Groves resigned in September 2011.

David Aspinall and Michelle Wright resigned by rotation in December 2010 and were reappointed.

Board appointments procedure

Board members can be co-opted by the existing Board from outside of its membership. Once a year the Board will review its membership against a set of competencies and knowledge to ensure that the organisation has access to a broad range of reference in its governance.

Risk management

The Board reviews and assesses the risks – strategic, operational and compliance – to which the organisation is exposed at alternate Board meetings, with the finance sub-committee considering risk at each meeting. It holds this information as a Risk Assessment and agrees actions to limit and mitigate risks identified.

The Organisation for New Music and Sound

Report of the Trustees

For the Year Ended 31 March 2011

Finance Committee

The Finance Committee is established to focus in detail on the financial planning and management of SaM, the audit process and the identification and control of risk. It meets six times a year and reports at each subsequent Board meeting to the full Board on its business.

The Committee's financial purpose is to support the effective financial management of SaM, advise and shape SaM's approach to financial planning and monitoring, ensure high standards are achieved in this area of SaM's work, seek to maximise SaM's income and control expenditure and maximise the use of SaM's financial assets, ensure a stable and realistic approach to managing SaM's finances to allow the organisation to undertake its charitable objects in the short, medium and long term.

The Committee's audit purpose is to make recommendations to the Board about the appointment of auditors, their contract and remuneration, review material to be submitted to the auditor and works in detail with the Finance Director, Executive Director and auditors through the process, updating the Board as the process proceeds.

The Committee's risk purpose is to make regular reviews of the risks to which the organisation is susceptible, report on this to the full Board and to monitor actions in place to control these risks.

2 OBJECTIVES AND ACTIVITIES

Purposes and Aims

The charity's purposes as set out in the objects contained in the Memorandum and Articles of Association are to

"Promote and foster the understanding and appreciation of sonic art and music including (but not limited to) new British music"

The aims of the Charity are to

- Support the development and performance of the art form and its infrastructures (the 'art form' being sonic art and new music as defined in the object above),
- Share, assemble, create and distribute events, information and archives both nationally and internationally to enable access by the widest possible range of users, audiences and participants,
- Organise and assist in the provision of conferences, courses of instruction, exhibitions, lectures and other educational activities.

Public benefit

The Board has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Benefits to the public of SaM activities include

- Access to a wide range of high quality performance events, from national tours of major venues and festivals featuring UK and international artists to local platforms generated by grass roots performers,
- Learning opportunities, from school-based projects utilising new technology to adult participation events in public spaces,
- On-line access to a range of resources, from national collections of music scores and recordings to web-toys, public forums and digital art commissions,
- Publications, in the form of newsletters, e-listings, e-magazines, books and DVD's,
- Access to the British Music Collection, 30,000 20th and 21st century music scores located in the Music Library, University of Huddersfield.

SaM is a national organisation that aims to reach all those with an interest in new music and sound in the UK. Its audience ranges from urban sophisticates and enthusiasts engaging with challenging new sounds through our events programme to hard-to-reach, disadvantaged or displaced communities, participating in SaM through our learning programme, or our touring work to smaller scale festivals and communities.

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For the Year Ended 31 March 2011

Ensuring our work delivers our aims

The Board reviews the aims, objectives and activities each year. This review looks at what the charity achieved and the outcomes of its work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps the Board ensure that the charity's aims, objectives and activities remain focused on its stated purposes.

SaM's Vision, Mission and Values

Our Vision

Our vision is to create a world where new music and sound prospers, transforming lives, challenging expectations and celebrating the work of its creators.

Our Mission

We champion innovation, learning and artistry through

- Exploring contemporary approaches to music and sound creation,
- Deepening engagement with a high quality programme,
- Optimising the impact of the sector by raising its profile, developing audiences and cultivating partnerships in the UK and internationally.

This vision and mission informs the range of the charity's work, shaping the way we interact with the industry from creators, through venues, festivals, promoters, agents, publishers etc through to audiences.

Our Values

- **Leading** To become a beacon for the sector, audiences, industry and artists - a national activist with deep international ties,
- **Programming** To instigate, broker and directly provide tangible opportunities across the sector that increase the sustainability and stability of contemporary music and sonic art,
- **Engaging** To provide resources that enable talent and artistic excellence to thrive and engage successfully within the market place,
- **Initiating** To develop a wide base of support for contemporary music and sonic arts that will encourage more people to discover the joy and rewards of listening.

Organisational development

A change of Government in May 2010 resulted in an in-year cut to our major funder, Arts Council England, of 4%. This was passed on to all Arts Council England regularly funded organisations as a cut of 0.5% across the board. Consequentially, a review of SaM's overheads was implemented during the year, with the following changes being made.

In 2010, Sound and Music consolidated the roles of Board Administrator, Company Administrator and Finance Manager into one Finance and Administration role. Due to the pressure of work on new Learning projects, two successive 6 month Learning Producer contracts were created.

Through consolidation of its office management provision, SaM reduced its space at Somerset House, and the associated rental costs.

Strategic Review and the future

In 2010/11 SaM implemented the Operational Plan for 2010/11, to serve as the basis for planning in year and strategic planning through to 2013. The Senior Management Team (SMT) agreed a system of monitoring and the Plan was reviewed by the SMT in advance of each Board meeting.

After the completion of the Operational Plan and Budget for 2010/11 the SMT worked through an issues-based agenda tackling unresolved areas from the 2009/10 transitional year that included

- Web – a major overhaul of the web-site,
- Publications,
- Audience Development,
- Role and future development of the Senior Management Team.

3 ACHIEVEMENTS AND PERFORMANCE

There were three key strands to SaM's artistic activity in 2010/11: live events, learning and digital

Live Events

The majority of our live events were delivered in partnership, either as major partners and co-producers, or through a financial and supporting role. We are committed to high quality and innovation in all our programming and we prioritised artists and partnerships that demonstrated those characteristics.

Commissions and Major Partnerships

Events in which we had a significant initiating or co-producing role included:

River Sounding

Renowned international sound artist, Bill Fontana, created a composition of recordings and sounds of the River Thames to lead audiences on an acoustic journey through the labyrinth of hidden walkways and passages of Somerset House. The installation received widespread critical and public acclaim and included a full programme of learning and engagement activity.

Whispering in the Leaves

Chris Watson's sound installation in the Palm House at Kew Gardens immersed visitors in the dawn and dusk choruses of the South American rainforests. The project was co-produced with Forma for the Kew Summer Festival, and included performances, guided tours, talks and a sell-out programme of workshops.

Memories Are Made of This

A programme of performance and exhibition presented as part of Liverpool Sound City. We commissioned a new sound installation by Paul Rooney, entitled McKenzie.

Alpenglow

An exchange project with VNM Festival that brought Austrian artists to London to collaborate with UK musicians in a series of performances. In 2011 a group of UK musicians will make a reciprocal trip to Austria to perform at the VNM Festival in Graz.

The Lowest Form of Music

The first event in the UK dedicated to the work and influence of the legendary Los Angeles Free Music Society (LAFMS). A weekend of performance including film screenings and discussion to explore the legacy of one of the avant-garde's great unsung movements.

Cut & Splice Transmission

Our annual festival of electronic music, with an international reputation for inspired ideas and high-quality production. Produced in partnership with BBC Radio 3, it comprises live and broadcast activity, annually shifting its focus and format to reveal the best of pioneering sonic art.

Mazaj

A festival celebrating contemporary and experimental Arabic music and Middle Eastern sonic culture.

SaM OTO

A commissioning project, in partnership with Cafe Oto, providing grass-roots producers with the resource and opportunity to produce bold new programming. Four emerging producers were each awarded a grant to deliver a series of performances, residences, screenings and exhibitions at Cafe Oto.

Off The Page

The UK's first festival devoted to music criticism, featuring a host of critics, authors, musicians and artists discussing underground and experimental music through talks, presentations, panel discussions and workshops. Produced in partnership with The Wire.

Ways of Hearing

A regional multi-disciplinary knowledge exchange project bringing together artists, designers, planners, engineers and architects to explore the impact of active listening on urban design.

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Supported Events

Events for which we provided financial and/or marketing support included

Chns Cunningham

Award-winning video artist Chris Cunningham presented a dramatic audiovisual performance featuring remixed, unreleased and brand new videos and music in two concerts at the Southbank and Brighton Dome. Produced by No-Nation.

Apollo

Contemporary ensemble, Icebreaker, performed a critically acclaimed arrangement of Brian Eno's Apollo set against the backdrop of the original NASA footage of the Apollo moon landing. Produced by Third Ear for Brighton Festival.

Concrete & Glass

Three sound art & music performance events commissioned by the Concrete and Glass Festival, with financial support from SaM.

Asleep at The Wheel

An immersive sound installation by Janek Schaefer commissioned by Milton Keynes International Festival. Produced by Simon Chatterton with support from SaM.

Modified Toy Orchestra

Two performances in Birmingham and London by Modified Toy Orchestra to debut their new album Plastic Planet. Co-produced by SaM in partnership with Capsule.

Ice Music

Performances from Norwegian composer Terje Isungset using instruments made from ice and featuring an immersive audio-visual installation projected onto the walls of an igloo. A public art commission produced by SoundUK for Somerset House.

Steve Lehman

New York composer and saxophonist Steve Lehman brought his Octet to the UK for two nights of music combining jazz, contemporary classical and spectral techniques. Performances in Birmingham and London produced by Birmingham Jazz.

London Sinfonietta Thomas Adès and Steve Reich Tour

Thomas Adès, one of the world's leading voices in modern composition, joined the London Sinfonietta for three evenings of hypnotic and intricate music from master minimalist Steve Reich and a major work from Adès himself. Performances took place in London, Glasgow and Birmingham.

Punch Records Afrobeat Experience Tour

Dele Sosimi, musical director of the highly acclaimed show Fela! at London's National Theatre, with his debut UK tour leading his own Afrobeat Orchestra. Six performances in Manchester, Bristol, Exeter, London, Birmingham and Colchester.

Learning and Participation

The live events programme was supported by extensive interpretation and educational activity, including talks, tours, screenings, master-classes and family workshops. Our learning department also delivered an extensive programme of stand-alone education projects that ranged from promoting early encounters with music and sound to finding and nurturing outstanding artistic talent.

Learning and professional development projects included

The Shortlist

This was the final year of The Shortlist scheme. Artist opportunities and residencies included partnerships with BCMG, Chroma, Manchester Camerata, Exaudi, Cheltenham Festival, ISCM, The BBC Symphony Orchestra and Handel House.

Summer School for Young Composers

An annual programme for talented composers and musicians aged 14-18 from around the UK. Up to 75 students are mentored by professional composers and musicians to develop their compositional skills through an intensive residential week at the Purcell School of Music.

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Report of the Trustees

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Embedded

Embedded is our new, highly acclaimed, professional development programme for talented emerging artists, providing practical hands-on experience in the form of individual projects or residencies. Three Embedded residencies took place in 2010/11 involving partnerships with BCMG, Manchester Camerata and the BBC Symphony Orchestra.

Adopt a Composer

Delivered in partnership with PRSF and Making Music, this scheme paired six amateur music groups with six emerging composers to work together over the course of a year and produce new work for performance.

Minute of Listening

An innovative creative learning project to engage primary school children in 60 seconds of focused listening a day. Partnering with the Norwich and Norfolk Festival, we worked with 1,600 children across 10 schools in Norfolk to deliver a daily one-minute recording directly into classrooms via interactive whiteboards and computers.

Are We Composing Creatively?

A six-week composition project with professional musicians and students from Trinity Laban in Deptford to enable a class of Year 9 students at Sedgemoor School in Lewisham to compose their own original pieces of music.

The City Rings

An international sound project working with schools and partners in Belgium, Spain and Denmark. Pupils recorded sounds from their environment and shared them with the participants from the other countries.

Making Sound Work

A two-day professional development event at City University in London comprising discussions, interviews, talks and presentations by musicians and composers working in film, media and digital music.

Digital

Sam is committed to exploring new digital practices and technologies at the forefront of art through collaborations and research. Our new website served as the main hub for ongoing digital programming and user-led content, including:

Places invites artists to give a snapshot of the place they live and work in, revealing an insider's perspective on the music scene and cultural landscape of cities around the world.

New Departures is a series of podcasts exploring adventurous past approaches to sound creation and the underground experimental music scenes of the present.

Hidden Music is a collection of new and archive interviews with leading figures in jazz and improvised music, conducted by writer and musician David Toop.

Frames of Reference invites artists and critics to share their views on the turning points in contemporary music history.

Sound on Film examines how sound, music and film inform one another, from soundtracks and sound design to documentaries and live performance.

Ear Room is a series of one-to-one interviews with artists, curators, writers, publishers and academics who engage broadly with sound and its use in contemporary and historical arts practice.

Perspectives on Digital Music is an online research project exploring how audiences are using the Internet for the creation and consumption of music.

Artist Toolkit is an online resource that provides information on developing a career as an artist, including useful tips, links and resources, stories from experienced professionals and step-by-step guides to becoming a self-sustaining artist.

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Report of the Trustees
For the Year Ended 31 March 2011**

5 FINANCIAL REVIEW

Overview

SaM's total income for the year was £1,703,969 (2010 - £1,598,397), of which £1,287,654 (2010 - £1,262,994) was represented by the core grant from Arts Council England. Income from productions and fundraising was £230,970 (2010 - £263,274) with £26,294 (2010 - £37,388) from other core grants, donations and membership subscriptions and £41,851 (2010 - £34,741) from investment income and other activities. Total income also included the final tranche of the Arts Council organisational development grant, in the sum of £117,200 (2010 - Nil).

A key part of our fundraising strategy is to diversify income and ease reliance on funding from Arts Council England. We made good progress in securing support from Trusts and Foundations in 2010/11, particularly around education projects such as the Summer School for Young Composers and artist development opportunities such as the Embedded residency scheme. We are instigating new initiatives to develop individual giving and corporate support. We would have wished better achievement in diversifying our income, but this has not been easy during a time of growth after the merger of the founding organisations. We are confident that SaM's ongoing programme will enable us to build a wide, robust and sustainable fundraising portfolio.

The organisation expended £1,600,977 (2010 - £1,812,135) of which £86,206 (2010 - £343,427) related to the Organisational Development project.

General funds

The deficit for the year on general funds was £33,538 before transfers.

In accordance with the terms of the Transfer Deed, the Trustees of the AA Paul Memorial Fund released £30,000 during the year towards the costs of supporting the Learning Programme. This, together with a £2,750 transfer to designated funds (see below), resulted in a deficit for the year after transfers of £6,288.

Designation of funds

Many of the projects which SaM engages in can encompass a considerable time span, from inception to delivery, and can straddle accounting periods. Accounting standards require that costs are recognised in the accounting year in which they are incurred, whereas SaM views each project as being funded from a particular year's income. A project may have been budgeted in a particular year, but as a result of timing or other issues, recognition of its costs may fall into the following accounting year.

The directors have taken the view that in these circumstances, it is prudent to designate the expected funds which are required to complete the projects originally budgeted for the current year.

At 31st March 2010 a sum of £140,000 was transferred to a Project Completion Reserve in respect of projects which were originally budgeted for 2009-10 but in respect of which the expenditure was to continue into 2010-11. This reserve was used in 2010-11 to complete those projects.

At 31st March 2011 an amount of £142,750 has been transferred to the Project Completion Reserve in respect of projects which were originally budgeted for 2010-11 but in respect of which the expenditure is to continue into 2011-12.

Accordingly the net transfer to the Project Completion Reserve in the year is £2,750.

Balance on general funds

The retained deficit for the year of £6,288 has been charged to accumulated funds. Accordingly, retained general funds carried forward at 31 March 2011 amounted to £338,407, compared with £344,695 at 31 March 2010.

Restricted funds

During the year the organisation expended £86,206 on organisational development funded by the Arts Council England Thrive grant. During the year we also received the final tranche of the Thrive! grant in the sum of £117,200.

At 31 March 2011, the unexpended balance on the Organisational Development restricted fund stood at £103,972 and the balances on other restricted funds relating to projects stood at £104,879.

The Organisation for New Music and Sound

Report of the Trustees

For the Year Ended 31 March 2011

Endowment funds

The performance of the endowment fund is discussed below under "Investment performance and mandate"

Reserves policy

SaM's reserves policy is that the organisation shall seek to maintain general fund reserves equal to six months operating expenditure. This relatively high level of reserves is deemed appropriate in the light of the risks that the organisation will face in its early years, as it develops its strategic plan and its financial and operating systems.

At 31st March 2011, the balance held on general funds (excluding the designated funds) equated to approximately 5 months of core expenditure.

Financial risk assessment and management

The charity monitors and manages risk on an ongoing basis and has a formal annual risk assessment. The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks. The trustees ensure that the management of risk is ongoing and embedded in management and operational procedures. Risk assessment and management is undertaken under the following areas:

- Governance,
- Operational,
- External factors,
- Compliance with laws and regulations,
- Human resources,
- Environmental,
- Technology, and
- Financial

Grant making

SaM is not fundamentally a grant making body. However, from time to time, grants are made by the organisation. Grants are usually made where it is the request of the donor that the monies concerned be expended in this way or in situations where it is appropriate for SaM's involvement in projects to be funded by means of a grant.

Investment performance and mandate

The portfolio of investments continued during the year to be managed by Rensberg Sheppards Investment Management Limited. At 31 March 2011 the portfolio investments had a market value of £868,671 which, together with cash held for reinvestment of £1,547, amounted to £870,218.

This represents a 6% increase compared with the valuation at 31 March 2010, reflecting the improved market conditions during the year.

During the year the Trustees were able to allocate £30,000 of the fund's income to the charity's learning programme.

During the year the Finance Committee reviewed the investment policies of the funds, with a view to better managing risk in the current volatile market conditions. As a result of this, the decision was taken after to transfer the management of the investment funds to Seven Investment Management. This transfer was effected after the year end.

Investment Policy Statement

- 1 The Board of trustees of SaM are bound to promote the best long-term interests of the charity and to make adequate provision for both the present and future funding needs of the organisation. The overall investment policy is to obtain the best financial return from the fund's assets, consistent with acceptable risk. In order to achieve this, the given powers of investment will be exercised so that the assets yield the best long-term return by way of income and capital appreciation, judged in relation to the risks of investment (see 2 below).
- 2 To fulfil the requirements of a favourable return consistent with caution and security, the portfolio will be diversified between fixed interest securities, equities, cash and other asset classes (including, for example, commercial property, private equity and commodities). It will also be invested across a wide range of different holdings in order to diversify risk.

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- 3 Any purchases of an individual stock (other than an investment grade bond) may not bring the total value of the holding in that stock to more than 5% of the fund's value. After allowing for capital appreciation of individual stocks, all holdings in excess of 5% must not together exceed 40%, and no single holding should be worth more than 10% of the fund's value. Collective investments are excluded from this restriction.
- 4 The portfolio mix will fall within the following asset allocation bands
 - Equities 20-50%
 - Fixed interest 30-70%
 - Cash 0-15%
 - Other asset classes (including, for example, commercial property, private equity and commodities) 5 – 20%
- 5 The portfolio is reviewed quarterly by the Finance Sub-Committee of the Board and at an annual meeting with the Investment Manager and at the Investment Manager's request.
- 6 No range or class of investments will be excluded or avoided on ethical grounds.
- 7 Investment performance will be compared on a quarterly basis with the APCIMS Income Index and with other suitable indices as agreed from time to time.
- 8 The charity requires the Investment Managers to
 - exercise their discretionary power in accordance with their expertise, and with due professionalism, care and attention,
 - only invest in investments quoted on the major recognised exchanges, and not invest outside the agreed terms of reference laid down by the charity and as may be amended from time to time,
 - have regard to the need for diversification of investments taking into account the circumstances of the charity and to the suitability of the proposed investment,
 - produce a quarterly performance report,
 - not participate in underwriting,
 - not invest in highly geared instruments, such as the capital shares of highly geared split capital trusts,
 - not invest in the shares of any company not having a record of at least three years in which profits have been made and dividends paid. Collective investments are excluded from this restriction.

6 FUTURE PLANS FOR SaM

2011/12 will consolidate much of Sound and Music's distinctive direction, bringing a coupling of outstanding programme and excellence in learning and participation. SaM operates across a full spectrum of contemporary music and sound and is planning several high profile collaborations and projects. By building a programme that encompasses large scale and more commercial, to small scale and niche, we will bring a wider mixed economy context for all work to be seen.

From April 2012 Arts Council England will change the way they fund major clients and the current system of Regularly Funded Organisations (RFOs) will be replaced. Our new National Portfolio status is the result of a successful bid to secure funding from 2012 to 2015. Compared to RFO funding our ongoing grant has been reduced. Through our new organisational and operational plans SaM will have a deeper reach across the contemporary music sector and it will operate with more strategic significance, creating a nationally needed organisation. This will be achieved through a smaller team able to make the most of new funding opportunities.

A New Direction

SaM's future strategy, 'A New Direction 2012-2015', sets out an approach to unifying SaM's programme in a way that will deliver consistency, coherency and define the organisational goals and philosophy. Four key organisational aims will inform SaM's artistic programming.

- Leading to become a beacon for the sector, audiences, industry and artists – a national activist with deep international ties
- Programming to instigate, broker and directly provide tangible opportunities across the sector that increase the sustainability and stability of contemporary music and sonic art
- Engaging to provide resources that enable talent and artistic excellence to thrive and engage successfully within the market place
- Initiating To develop a wider base of support for contemporary music and sonic arts that will encourage more people to discover the joy and rewards of listening

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Along with most arts organisations we need to diversify income streams to help reduce reliance on ACE funding. Over the next three years we will seek out innovative and sustainable ways to generate our own funds and increase income to reduce reliance on ACE funding.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustee directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and are required to

- select suitable accounting policies and then apply them consistently,
- 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 charitable company will continue on that basis.

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

In addition, the trustee directors confirm that

- so far as each director is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

A resolution re-appointing Clanty as auditors to the charitable company will be proposed at the Annual General Meeting.

By order of the Board of Trustees



Michelle Wright
Chair

Approved by the Board of Directors on 8 December 2011

Independent Auditors' Report to the Trustees of The Organisation for New Music and Sound Year Ended 31 March 2011

We have audited the financial statements of The Organisation for New Music and Sound for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustee's responsibilities (set out on page 11), the trustees (who are also the directors of the charitable company for the purposes of the company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the report of the directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

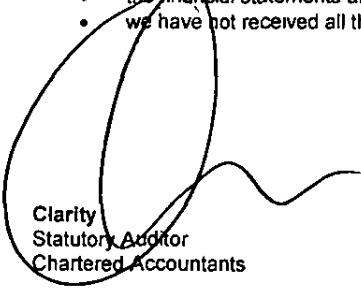
In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit.



Clarity
Statutory Auditor
Chartered Accountants

Stevenage, Hertfordshire

8 December 2011

Clarity is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Organisation for New Music and Sound
Statement of Financial Activities (Incorporating an Income and Expenditure Account)
For the Year Ended 31 March 2011

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total funds 2011 £	Total funds 2010 £
Incoming resources							
Incoming resources from generated funds							
Voluntary income	2	1,313,948	-	-	-	1,313,948	1,300,382
Activities for generating funds		2,500	-	-	-	2,500	1,446
Investment income and interest	3	3,384	-	-	35,967	39,351	33,295
Incoming resources from charitable activities							
Promotion of new music and sound	4	40,594	-	190,376	-	230,970	263,274
Organisational development	5	-	-	117,200	-	117,200	-
Total incoming resources		1,360,426	-	307,576	35,967	1,703,969	1,598,397
Resources expended							
Costs of generating funds	6	91,728	-	-	3,919	95,647	71,841
Charitable activities							
Promotion of new music and sound	6	1,255,277	-	116,888	-	1,372,165	1,331,795
Organisational Development	6	-	-	86,206	-	86,206	343,427
Governance costs	6	46,959	-	-	-	46,959	65,072
Total resources expended		1,393,964	-	203,094	3,919	1,600,977	1,812,135
Net incoming / (outgoing) resources before transfers		(33,538)	-	104,482	32,048	102,992	(213,738)
Gross transfers between funds	16	27,250	2,750	-	(30,000)	-	-
Net incoming / (outgoing) resources before other recognised gains and losses		(6,288)	2,750	104,482	2,048	102,992	(213,738)
Gains / losses on investment assets							
Realised gains	13	-	-	-	3,324	3,324	25,959
Unrealised gains / (losses)	13	-	-	-	44,376	44,376	133,292
Net movement in funds		(6,288)	2,750	104,482	49,748	150,692	(54,487)
Reconciliation of funds							
Total funds brought forward	16	344,695	140,000	104,369	918,730	1,507,794	1,562,281
Total funds carried forward	16	338,407	142,750	208,851	968,478	1,658,486	1,507,794

The statement of financial activities includes all gains and losses recognised in the period
All incoming resources and resources expended derive from continuing operations
The surplus for the year for Companies Act purposes was £106,316 (2010 Deficit £187,779)

The accompanying notes are an integral part of this statement of financial activities

The Organisation for New Music and Sound
Balance Sheet
As at 31 March 2011

		2011	2010
	Note	£	£
Fixed assets			
Tangible assets	12	31,333	48,278
Investments	13	870,218	820,125
		<u>901,551</u>	<u>868,403</u>
Current assets			
Debtors	14	172,594	86,331
Cash at bank and in hand		673,458	791,006
		<u>846,052</u>	<u>877,337</u>
Creditors amounts falling due within one year	15	<u>(89,117)</u>	<u>(237,946)</u>
Net current assets		756,935	639,391
Net assets		<u>1,658,486</u>	<u>1,507,794</u>
Funds and reserves			
Unrestricted funds			
General funds	16	338,407	344,695
Designated funds	16	142,750	140,000
Restricted funds	16	208,851	104,369
Endowment funds	16	968,478	918,730
Total funds		<u>1,658,486</u>	<u>1,507,794</u>

The directors have elected for the accounts to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006

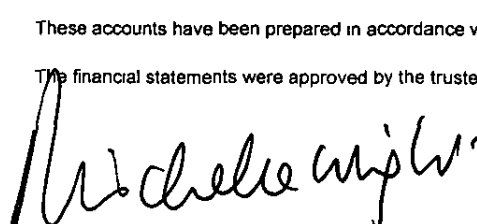
For the year ending 31 March 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

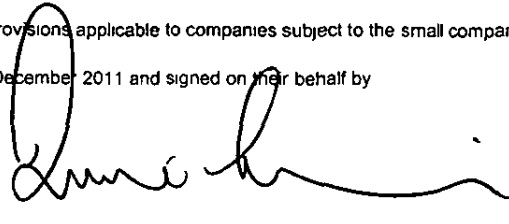
Directors responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the trustees on 8 December 2011 and signed on their behalf by


Michelle Wright
Chair


David Aspinall
Trustee

Registered Company Number 6581022

The accompanying notes are an integral part of this balance sheet

**The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011**

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently in dealing with items considered material in relation to the financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, in accordance with the Companies Act 2006 and applicable accounting standards, and follow the recommendations in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), published in March 2005.

The financial statements have been prepared under the going concern basis which assumes the continued availability of funding from Arts Council England which has been agreed in principle to SaM as a National Portfolio Organisation going forward.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the trustees in furtherance of the charitable objectives of the charity.

Designated funds comprise unrestricted funds set aside by the trustees for specific future purposes or projects.

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor or through the terms of an appeal.

Endowment funds comprise expendable endowment capital, over which the trustees have a power of discretion to convert into income. The investment income therefrom is credited directly to the endowment fund.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income, it is certain that the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of core grants, donations and membership subscriptions and is included in full in the Statement of Financial Activities.

Incoming resources from charitable activities are received principally by way of grants and are included in full in the Statement of Financial Activities. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the income.

Investment income and bank interest receivable is fully accrued at the balance sheet date.

Resources expended

Resources expended are recognised on an accruals basis when a liability is incurred, as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

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

Grants payable are charged in the period when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching to the grants are fulfilled. Awards offered subject to conditions that have not been met at the period end are noted as a commitment, but not accrued as expenditure.

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

1 Accounting policies (continued)

Resources expended (continued)

Governance costs include those costs primarily associated with meeting the constitutional and statutory requirements of the charity and include the auditors' remuneration and legal fees and costs linked to the charity's compliance with regulation and good practice

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 are allocated directly, others are apportioned on the basis of estimates of the proportion of time spent by staff on those activities

Pension costs

Members of staff are eligible to join a stakeholder pension scheme to which the charity contributes. Contributions are charged to the Statement of Financial Activities for the year in which they relate.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation

Tangible fixed assets are depreciated at rates calculated to write off the cost of each asset over its estimated useful life as follows

Office furniture	20%	Straight line basis
Equipment & computers	33%	Straight line basis

As explained in note 13, heritage assets have not been capitalised or depreciated in the financial statements

Fixed asset investments

Investments are included on the balance sheet at mid market value at the balance sheet date. Realised and unrealised gains and losses on investments are included in the Statement of Financial Activities in the year in which they arise

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

	2011 £	2010 £
2 Voluntary income		
Grants receivable for core funding		
Arts Council England	1,287,654	1,262,994
PRS Foundation	20,000	7,500
Membership subscriptions	3,114	26,923
Donations and legacies	3,180	2,965
	<u>1,313,948</u>	<u>1,300,382</u>
3 Investment income and interest		
Investment income	35,967	31,664
Bank Interest	3,384	1,631
	<u>39,351</u>	<u>33,295</u>
4 Promotion of new music and sound		
Grants receivable		
Event programme		
Esmee Fairbairn Foundation	90,000	-
Scottish Arts Council / Creative Scotland	1,626	63,000
Learning and creative resources		
PRS Foundation	31,000	12,750
British Council	10,000	10,000
Leverhulme Trust	6,750	-
Education programme		
Monument Trust	40,000	-
Musicians Benevolent Fund	4,000	-
D'Oyly Carte Charitable Trust	3,000	3,000
Michael Tippett Foundation	2,000	-
Idlewild Trust	1,500	-
Seary Charitable Trust	500	-
The Ernest Cook Trust	-	10,000
Garfield Weston Foundation	-	10,000
The Alan & Babette Sainsbury Charitable Fund	-	10,000
Project income	33,037	127,550
Advertising and similar income	6,590	16,416
Sundry income	967	558
	<u>230,970</u>	<u>263,274</u>

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

	2011 £	2010 £
5 Organisation development		
Grants receivable		
Arts Council England - Grants for the Arts - Thrive I	117,200	-

	Staff costs £	Direct costs £	Support costs £	Total 2011 £	Total 2010 £
6 Total resources expended					
Costs of generating funds	64,211	3,919	27,517	95,647	71,841
Promotion of new music and sound					
Event programme	271,696	391,637	116,433	779,766	569,429
Learning and creative resources	119,109	150,897	51,044	321,050	284,199
Education programme	27,922	70,827	11,966	110,715	99,763
Advertising and similar costs	64,429	61,170	27,609	153,208	174,460
Grants payable	-	7,426	-	7,426	203,944
Organisational development	-	86,206	-	86,206	343,427
Governance costs	32,872	-	14,087	46,959	65,072
	<u>580,239</u>	<u>772,082</u>	<u>248,656</u>	<u>1,600,977</u>	<u>1,812,135</u>

	Premises costs £	Financial & legal £	Office & administration £	Total 2011 £	Total 2010 £
7 Support costs allocation					
Costs of generating funds	9,824	1,752	15,941	27,517	23,329
Promotion of new music and sound					
Event programme	41,567	7,413	67,453	116,433	93,351
Learning and creative resources	18,223	3,250	29,571	51,044	51,994
Education programme	4,271	762	6,933	11,966	11,918
Advertising and similar costs	9,855	1,758	15,996	27,609	32,437
Governance costs	5,030	897	8,160	14,087	9,432
	<u>88,770</u>	<u>15,832</u>	<u>144,054</u>	<u>248,656</u>	<u>222,461</u>

Basis of support costs allocation

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. Therefore the support costs shown above are a best estimate of the costs that have been so allocated.

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

	2011 £	2010 £
8 Net incoming resources for the year		
Net incoming resources for the year is stated after charging		
Auditors remuneration		
Audit fee	5,310	5,070
Depreciation	16,762	14,475

9 Directors' remuneration, reimbursement of expenses and related party transactions

No trustees received nor waived any emoluments during the period (2010 None)

No trustees received reimbursed out of pocket travel expenses during the period (2010 None)

10 Staff costs

Employees		
Salaries and wages	420,549	433,753
Social security costs	43,096	42,682
Staff incentive scheme	9,210	14,762
Pension costs	22,362	-
	<u>495,217</u>	<u>491,197</u>
Consultants		
Consultancy fees	<u>85,022</u>	<u>74,536</u>

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the period was Nil (2010 Nil)

The average number of employees calculated on a full-time equivalent basis, analysed by function was

	2011 Number	2010 Number
Charitable activities	12	12
Costs of generating funds	1	1
Governance of the charity	1	1
	<u>14</u>	<u>14</u>

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

	2011 £	2010 £
11 Grants payable		
Bursaries and grants	7,426	203,944

Bursaries were awarded to 15 musicians during the year ended 31 March 2011 to assist with their travel costs. During the year ended 31 March 2010, grants were awarded to 12 institutions to assist them in the promotion of new music and sound.

12 Tangible fixed assets	Office furniture £	Equipment & computers £	Total £
Cost			
At 1 April 2010	41,072	56,806	97,878
Additions	670	1,197	1,867
Disposals	(4,100)	-	(4,100)
At 31 March 2011	37,642	58,003	95,645
Depreciation			
At 1 April 2010	15,416	34,184	49,600
Charge for the year	6,292	10,470	16,762
Disposals	(2,050)	-	(2,050)
At 31 March 2011	19,658	44,654	64,312
Net book value			
At 31 March 2011	17,984	13,349	31,333
At 31 March 2010	25,656	22,622	48,278

In addition to the capitalised functional fixed assets, the charity also owns The Sound and Music Collection that comprises a music library of 30,000 scores, 15,000 recordings and background information on British music written since 1900. It includes both published and commercially recorded and unpublished material. The written archives of the founder organisations also form part of the collection.

These assets have not been included in the balance sheet because, in the opinion of the trustees, the cost of professionally valuing them to include a value in the financial statements would outweigh the benefits to the users of the financial statements.

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

	2011 £	2010 £
13 Fixed asset investments		
Market value at 1 April 2010	755,372	515,947
Additions at cost	268,822	274,357
Disposal proceeds	(203,223)	(194,183)
Realised gains on disposals	3,324	25,959
Unrealised gains / (losses)	44,376	133,292
	<u>868,671</u>	<u>755,372</u>
Cash held by investment managers for re-investment	1,547	64,753
Market value at 31 March 2011	<u>870,218</u>	<u>820,125</u>
Historical cost at 31 March 2011	<u>908,604</u>	<u>871,643</u>
Listed investments are represented by		
UK fixed interest securities	227,878	231,925
UK equity shares	388,054	415,067
Overseas fixed interest securities	95,015	72,434
Overseas equity shares	157,724	35,946
	<u>868,671</u>	<u>755,372</u>
The following represent more than 5% of the total market value of listed investments		
Severn River Crossing 6 125% Debenture stock 2013	<u>6 59%</u>	
14 Debtors		
Trade debtors	5,218	31,086
Prepayments and accrued income	141,540	39,273
VAT recoverable	25,836	14,556
Other debtors	-	1,416
	<u>172,594</u>	<u>86,331</u>
15 Creditors, amounts falling due within one year		
Trade creditors	16,450	82,240
Deferred income	19,200	13,500
Accruals	23,769	89,264
Other tax and social security	11,594	12,837
Other creditors	18,104	40,105
	<u>89,117</u>	<u>237,946</u>

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

16 Statement of funds	Funds 1 April 2010 £	Incoming resources £	Resources expended £	Investment gains / (losses) £	Transfers between funds £	Funds 31 March 2011 £
Endowment funds						
Arthur A Paul expendable endowment fund	918,730	35,967	(3,919)	47,700	(30,000)	968,478
Restricted funds						
Adopt a Composer	6,166	31,000	(22,160)	-	-	15,006
Anka Festival	24,073	1,626	(25,699)	-	-	-
Composer in Residence	-	6,750	(3,935)	-	-	2,815
Curriculum Development	-	40,000	(196)	-	-	39,804
Embedded	-	50,000	(6,472)	-	-	43,528
Organisational Development	72,978	117,200	(86,206)	-	-	103,972
Performance Abroad	1,152	10,000	(7,426)	-	-	3,726
Summer School	-	51,000	(51,000)	-	-	-
	<u>104,369</u>	<u>307,576</u>	<u>(203,094)</u>	<u>-</u>	<u>-</u>	<u>208,851</u>
Unrestricted funds						
General fund	344,695	1,360,426	(1,393,964)	-	27,250	338,407
Designated funds						
Project Completion Reserve	140,000	-	-	-	2,750	142,750
	<u>484,695</u>	<u>1,360,426</u>	<u>(1,393,964)</u>	<u>-</u>	<u>30,000</u>	<u>481,157</u>
Total funds	<u>1,507,794</u>	<u>1,703,969</u>	<u>(1,600,977)</u>	<u>47,700</u>	<u>-</u>	<u>1,658,486</u>

The Arthur A Paul expendable endowment fund was established by a legacy from the estate of the late Arthur A Paul in 1967. The fund was transferred to the charity from the Society for the Promotion of New Music on 30 September 2008 under a Deed of Gift and Declaration of Trust to be held by the charity on trust under the terms of the Deed.

Adopt a Composers fund In partnership with Making Music and funded by the PRS Foundation, Sound and Music is partnering emerging composers with amateur ensembles in the UK so that a collaborative piece is composed and premiered, recorded by BBC Radio 3.

The Anka Festival fund represents funding from the Scottish Arts Council to deliver a programme of engagement connected to Anka's two major experimental music festivals in Scotland.

The Composer in Residence fund supports a composer residency with Birmingham Contemporary Music Group funded by The Leverhulme Trust.

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

16 Statement of funds (continued)

Curriculum Development fund This fund supports a series of national symposia and associated research projects to explore and develop creative solutions for delivering composition in schools funded by The Esmee Fairbairn Foundation

Embedded fund A programme offering artists and composers professional development opportunities through bespoke residencies with ensembles and other cultural organisations funded by The Esmee Fairbairn Foundation

The Organisational Development restricted fund represents funding received from Arts Council England Grants for the Arts - Thrive¹ This is an organisation grant made with the aim of facilitating the merger of the four founder organisations into SaM, and its ongoing organisational development

Performance Abroad fund This represents funding from the British Council for Sound and Music to distribute small grants to enable UK based composers and artists to travel to see their work being performed abroad

Summer School fund Talented youngsters aged 14 to 18 are mentored by professional composers and musicians during a residential week at the Purcell School of Music This is funded by Monument Trust, Musicians Benevolent Fund, D'Oyly Carte Charitable Trust, Michael Tippett Foundation, Idlewild Trust and Seary Charitable Trust

Project Completion Reserve It is in the nature of the charity's activities that projects are budgeted in one particular year, but actually complete in the following year, with expenditure partly falling into the following year The Project Completion Reserve has been established to ensure that funds are available to meet such expenditure

The transfer to General Funds of £30,000 represents support for the charity's Learning Programme funded by income from the Arthur A Paul expendable endowment fund

17 Analysis of net assets

	Unrestricted funds		Restricted funds	Endowment funds	Total funds
	General fund	Designated funds			
Fund balances at 31 March 2011 are represented by	£	£	£	£	£
Tangible fixed assets	31,333	-	-	-	31,333
Fixed asset investments	-	-	-	870,218	870,218
Cash at bank and in hand	223,597	142,750	208,851	98,260	673,458
Other net current assets	83,477	-	-	-	83,477
	<u>338,407</u>	<u>142,750</u>	<u>208,851</u>	<u>968,478</u>	<u>1,658,486</u>

The Organisation for New Music and Sound
Notes Forming Part of the Financial Statements
For the Year Ended 31 March 2011

18 Obligations under operating leases

	Land & Buildings	
	2011	2010
	£	£
At 31 March 2011 the charity had annual commitments under operating leases as follows		
Expiry date - more than 5 years	54,000	82,000

19 Taxation

SaM is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities

20 Liability of members

SaM is constituted as company limited by guarantee and has no share capital. The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1 each.