

Scots Music Group AGM

Finance Report for Financial Year 2021-22

Summary

This financial year (ending in June 2022), the charity reported a surplus, but this was due to receiving a Creative Scotland Covid Recovery Grant, half of which was reported in 2021-22. This financial year, we were able to run a programme of 28 classes on-line and 5 workshops. We did, however, remain affected by Covid in several key areas, particularly fundraising.

Income, Expenditure & Key Data

Income, Expenditure & Key Data for the last four financial years is shown below:

	Results (2021-22)	Results (2020-21)	Results (2019-20)	Results (2018-19)
Income	£94,762	£100,602	£93,380	£132,718
Expenditure	£89,202	£102,573	£105,348	£128,031
Surplus/(Deficit)	£5,560	£-1,971	£-11,968	£4,687
Key Data:				
Grant Income	£10,724	0	£1,430	£8,057
Class Fee/ Workshop Income	£69,383	£84,625	£67,268	£88,869
Ceilidh Income	0	0	£8,001	£15,365
Members	406	442	520	528
Membership Fees	£6,520	£7,445	£8,720	£8,885
Gift Aid Claim	£650	£1,808	£600	£680
Donations	£7,848	£8,355	£7,568	£9,205
T1 bookings	351	386	464	474

Other Key Points in 2021-22:

- We were again unable to run any fundraising ceilidhs (like 2020-21)
- Busking groups & Ceilidh Caleerie (which normally provide valuable fundraising) were again unable to operate (like 2020-21)
- We completed a web-site revamp. Costs of c £800 were capitalised in 2021-22 and depreciated over 4 years as per our depreciation policy
- Made Gift Aid claim on allowable donations, recovering c £600 from HMRC
- Spent c £0.7k of the £10.7k grant; without the grant SMG would have had a deficit of c £4.5k. Effectively £10k was carried over via reserves into 2022-23.

Costs over the year were as forecast, mainly consisting of tutor fees, staff costs and office costs.

Reserves (Balance Sheet)

SMG reserves are as follows:

Reserve Funds	At 30/6/22	At 30/6/21	At 30/6/20	At 30/6/19
Reserves	£48,475	£42,915	£44,886	£56,854

Due to the financial prudence of SMG, a modest financial reserve had been accumulated in the years up to 2019 pre-covid. This has allowed us to continue to operate the charity, despite the operating deficit in the last three financial years; last year's apparent surplus was due to the Creative Scotland grant monies not all being spent by the financial year-end. We remain vigilant with the changing times.

Outlook into current year & beyond

The outlook into the current year remains worrying for the board. Membership is down to 394 (from 406) and Term-1 bookings were down to 295 (from 351).

Fortunately, we have the majority of the first stage of the Creative Scotland Covid Recovery grant available plus the second (final) stage payment of £10,725 received in July 2022, and we are using these to support our fundraising ceilidh costs, support beginner's classes, and support workshops. We aim to use some of the remaining funds to bring in some consultancy to guide the board, with any remaining grant funds going to reserves.

We are also reviewing our business model, to determine what other changes can be made to ensure our charity's continued operation.

Paul McIntosh (Treasurer)

Director - Scots Music Group, Jan 2023