

THE MIDI MUSIC COMPANY
(A company limited by guarantee and registered charity)

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THE MIDI MUSIC COMPANY
(A company limited by guarantee and registered charity)

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The following pages do not form part of the statutory financial statements:

Detailed income and expenditure account

THE MIDI MUSIC COMPANY
(A company limited by guarantee and registered charity)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Directors Gordon Williams, Chair
Geraint Howells, Treasurer
Keith Harris, OBE (resigned 29 November 2021)
Isabel Newman
Mulika Sannie (resigned 29 November 2021)
Robert Fitzpatrick
Indy Vidyalkara

Company registered number 02989656

Charity registered number 1045693

Registered office 77 Watson's Street
Deptford
London
SE8 4AU

Executive director Wozzy Brewster, OBE, FRSA

Independent examiner MHA MacIntyre Hudson
Chartered Accountants
910 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Bankers Barclays Bank Plc
93 Lewisham High Street
Lewisham
SE13 6BB

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

Charity Bank Ltd
Fosse House
182 High Street
Tonbridge
TN9 1BE

DIRECTORS' REPORT
For the year ended 31 March 2022

The Directors present their annual report together with the financial statements of the Charity for the year 1 April 2021 to 31 March 2022. The Directors confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Structure, Governance and Management

Governing Document

The Midi Music Company is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26th July 1994 and amended 12th December 2012. It is registered as a charity with the Charity Commission and the Fundraising Regulator.

Appointment of Board of Directors

As set out in the Articles of Association the Board of Directors has the power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election. The Board of Directors operates on a voluntary basis.

Directors Induction & Training

New Directors have an induction meeting with the Executive Director to brief them on the business plan, artistic programme, and financial performance of the charity, as well as an opportunity to observe a Board meeting. During the induction they meet key staff members and can observe various aspects of the charity's work.

New Directors are also invited to an induction meeting where they can discuss any issues with the rest of the Board of Directors.

The Directors are encouraged to attend appropriate training events that will facilitate the undertaking of their role and receive relevant Charity Commission information on due diligence and regulations.

Organisation

The Board of Directors administers the charity. The Board meets quarterly and has specific members with responsibility for personnel, finance, legal, client development, philanthropy, social investment, PR, marketing, digital streaming insights and the music industry. An Executive Director is appointed by the Board to manage the day-to-day operations of the charity. To facilitate effective operations, the Executive Director has delegated authority, within the terms of delegation approved by the Board, for operational matters including finance, personnel, resources, logistics and artistic performance related activities.

Related Parties

The charity's wholly owned subsidiary, The Midi Music Company Events Ltd, was established to deliver creative events for young people. The Midi Music Company is the only shareholder and all profits from the events company are invested in the charity. The Midi Music Company Events Ltd is currently dormant.

Risk Management

The Board of Directors receives quarterly financial management and operations reports, including information on cashflow, financial support, artistic programme, statistical data, resources, logistics, networks, and developments, as well as holding additional meetings, when required, to discuss financial, personnel & resource issues.

DIRECTORS' REPORT
For the year ended 31 March 2022

The staff team monitor operations and finances weekly on behalf of the Board of Directors, reporting areas of concern and highlighting the potential risk to the charity, along with recommendations for strategic development, fundraising, safeguarding children and young people, and health & safety. A key element in the management of financial risk is the establishment of a reserves policy and its regular review by the Board of Directors.

Objectives & Activities

The objects and purpose of the charity, as per its governing document, are:

- To promote, maintain, improve, and advance education particularly by the encouragement of the Arts including all forms of performing and visual art with special reference to the art of Music.

The charity provides a space for all children and young people to be inspired to get into music and the creative industries, working within a safe and inspiring creative hub.

The primary focus for the year was: to re-open the building following the lockdowns and to continue to provide online artistic programmes whilst gradually delivering specific projects onsite with improved COVID-safety and updated company policies, including the introduction of a new safeguarding for online teaching section in the Child Protection Policy; the ongoing importance of securing annual revenue income from the London Borough of Lewisham and NPO Arts Council England, with continued financial investment from the Tom ap Rhys Pryce Memorial Trust and attracting investment from another key Trust or Foundation; and the Charity's involvement in the Black Association for the Arts UK (BAFA UK), ongoing participation in the UK Music Diversity Taskforce, BPI Music Export Growth Scheme, BRIT Award Voting Academy and WOMEX 2021, plus engagement in the AIM + FAC Artists & Managers Awards Panel, MMF Managers Accelerator Programme and the MMF Education Committee, with the UK Music Ten-Point Plan partnerships with the Association of Independent Music and Featured Artist Coalition creating increased opportunities for our students, clients and members. Support was also provided for various campaigns including, #FreeMoveCreate, #EveryChildAMusician, #WeMakeEvents, #InvestInMusicians, #LetTheMusicPlay, #saveourvenues and #NoMusicOnADeadPlanet.

The strategies employed to achieve the charity's objectives are to:

- Provide inspiring and engaging educational and training programmes targeted at children and young people with rewarding incentives,
- Work in partnership with relevant agencies/organisations to collate industry intelligence, host seminars and master classes to broaden young people's understanding of current trends and opportunities in the UK music industry and cultural industries,
- Develop relationships with music industry businesses to provide access to entry level jobs and funding investment for young people and the creation of partnership opportunities,
- Establish affordable access programmes for children and young people to learn how to play instruments, develop music production skills, record their music, develop creative enterprises, explore creative internships, and work placements, expand their social networks, rehearse, perform and develop themselves as creative entrepreneurs,
- Participate in relevant seminars, forums, panels, advisory groups, and conferences,
- Develop our strategic partnerships and networks.

The four major areas of activity are: educational programmes; creative industries careers advice service; events; and partnership projects.

DIRECTORS' REPORT

For the year ended 31 March 2022

The educational programmes are primarily focused on providing music & production education for children and young adults. They aim to offer opportunities in instrumental skills development, music composition, music production, music business, bursaries, and cross-art form initiatives. We engage industry professionals who share their expertise to inspire emerging talent to understand the trends and opportunities. The programmes allow individuals to enhance their creative skills and identify progression routes. Participants are referred from schools, colleges, looked after children services, asylum and refugee projects, social services, youth offending schemes, pupil referral units, looked after services, youth projects, local housing initiatives, mental health services, employment initiatives and other related agencies.

The Creative Industries Careers Advice Service CICAS® (pronounced “seekers”) creates a platform for young adults to explore their potential and identify pathways for their creative development including skills-based training, work experience placements, apprenticeships, internships, mentorships, self-employment and establishing new enterprises. It continued to be delivered online via Zoom during the lockdown and on the return to the building, enabling more young people from across the country to access advice, guidance, and support, with continuous demand for one-to-one sessions, as well as talent development, industry contacts, marketing support, funding advice & guidance, references, and referrals, plus access to rehearsal and recording facilities at MMC from August 2021 onwards.

The pre-recorded CICAS® Sessions continued to be uploaded on the charity's website and YouTube channel to showcase artists and engage new audiences online, along with the CICAS® Podcasts on Soundcloud and MMC's website.

The partnership projects that engage children and young people enable participants to connect with emerging artists locally, regionally, and nationally. These represent Spoken Word, music, songwriting and production projects, international initiatives, seminars, conference panels – the work placements at MMC for students attending formal educational establishments were re-started late autumn 2021.

Public Benefit

The Trustees have had due regard to the Charity Commission guidance on Public Benefit.

The charity provides public benefit through a variety of different approaches:

- Providing subsidised affordable instrumental, Spoken Word and music production tuition for socio-economically disadvantaged children, complimented by the Tom ap Rhys Pryce Music bursary programme for 1:1 tuition at The Conservatoire in Blackheath with partner nominations from YUAF and Fairbeats Music, who also support the programme by providing extended bursaries, where possible, and the distribution of the Jack Petchey Foundation Bronze Awards for Outstanding Achievement for AYM students
- Mentoring & supporting young people and arts professionals
- Providing free careers advice and discounted access for CICAS® & CAPs (Creative Associate Professionals – CICAS® alumni) members to rehearsal space, music production equipment, recording facilities, multimedia resources, vocal coaching, talent development, funding advice & guidance, references, industry links, marketing, digital media, PR & marketing support
- Developing new audiences for young emerging artists, bands and creative entrepreneurs via our website, social media, newsletter, podcasts, showcases and events, in addition to providing MMC Takeovers across various platforms
- Circulating creative & cultural industries data and intelligence to provide greater equity for young people from diverse backgrounds through the CICAS® and CAPS programmes
- Linking emerging talent to industry professionals via our established creative & cultural industries networks and contacts
- Safeguarding children and young people so that they can engage in positive, creative learning experiences, supported by experienced and professional staff teams and volunteers, who are DBS checked, according to child protection regulations.

DIRECTORS' REPORT
 For the year ended 31 March 2022

Summer Showcase & mini Sharings	3 x AYM Sharings at the end of each term online with students and tutors only	Summer Showcase cancelled due to lockdown
Outreach & Partnerships	<p>8 x bursary awards to children and young people aged 11 - 19 to attend The Conservatoire in Blackheath for one-to-one tuition over the period of one year</p> <p>Placements and work experience from educational establishments</p> <p>Deaf Rave Music Production & Access programme for Deaf young people.</p> <p>Telegraph Hill Band Camp band workshops</p> <p>VENN21 – events at Venue 229 - LDN & The Adelphi Club – Hull</p> <p>Breaking the Silence – Imperial War Museum</p> <p>The Inspiration Network – strategic partnership with Impact 10, IRIE! dance theatre and Lionbeat</p> <p>Creative Associate Professional Group (CAPs): MMC graduates, alumni, industry professionals and associated young entrepreneurs working together to increase their resources as a collective</p>	<p>The Conservatoire continues to provide additional bursaries and extended bursaries for former bursary winners. Tom's Trust's investment supports the bursaries.</p> <p>1 x work placement from Forest Hill School due to lockdown and COVID-restrictions</p> <p>Continued to support Deaf producers and sign song artists: MC Geezer released his debut EP 'The Yin & Yang of Deafhood' and rehearsed at MMC with Deaf dancers in preparation for the Deaf Rave Festival, plus SignKid was commissioned by Arts Council & BBC for their 'Culture in Quarantine' series and had his 'Silent World' film profiled on the BBC</p> <p>Postponed instrumental workshops during lockdown</p> <p>Collaborative songwriting and performance partnership with CAN YOU CIC IT and The Warren in Hull enabling emerging artists from Hull and LDN to create new music</p> <p>Commission to produce a creative piece with emerging young artists to perform on Armistice Day.</p> <p>Continued progression routes for young people into the creative & cultural industries, supported by referrals</p> <p>The continued development of a strategic grass roots network with the capacity to record, release, publish and distribute new music; Oggie performed with the 'UK House & Garage Orchestra' and released single 'Fallin' on Four 40 Records UK, Rebekah Reid</p>

DIRECTORS' REPORT
For the year ended 31 March 2022

		<p>released her debut album as 'Tapp Collective' – 'I like what I do//I do what I like', Daniel Smithson passed his Trinity Laban Post Graduate Diploma – The Teaching Musician, and Cevanne Horrocks-Hopayian completed a residency with the London Symphony Orchestra and released her 'Welcome Party' album championed by Hannah Peel – BBC Radio 3</p>
	<p>Steam Down</p> <p>Camberwell Fair – Southwark/Lewisham</p>	<p>Steam Down accessed MMC to rehearse and record livestreams, plus support with industry links MMC collaborated on the delivery of Artist-in-residence programme with K.O.G, Tawiah, Gaika and CICAS® member Shirley Tetteh – providing mentoring support</p>
	<p>REAL TALK three-part series of free talks and discussions focused on reducing youth violence and promoting unity – filmed extracts in documentary</p>	<p>The Rob Knox Story featuring clips from MMC's REAL TALK series has a worldwide distribution deal with Woodcut Media and was screened at the Soho Independent Film Festival</p>
	<p>Association of Independent Music (AIM)</p>	<p>Partnership organisation with free access for CICAS® & CAPs members to AIM Sync Conference, AIM Connected Conference: Business Tech and People, AIM Academy webinars and industry intelligence</p>
	<p>Featured Artist Coalition (FAC)</p>	<p>Partnership organisation with free and discounted access to webinars and industry intelligence, plus CICAS® member opportunities to become FAC Ambassador</p>
	<p>London Landmarks Half Marathon/MMC Takeover</p>	<p>3 x artists performed on the Queen Street Stage</p>
	<p>Rich Mix Takeover Tuesday</p>	<p>MMC Takeover featured CICAS® members Jay Johnson, Jelly Cleaver and Renato Paris, hosted by Ola Torch, supporting the return to live music</p>

DIRECTORS' REPORT
 For the year ended 31 March 2022

	<p>SDS Entertainment in Croydon</p> <p>BAFA UK</p> <p>Horniman's Museum & Gardens</p> <p>Lionbeat</p> <p>Lewisham Borough of Culture 2022 – Lewisham Anthem for IRIE's L-BOC BOP</p> <p>Ecstatic Song – Luke Concannon, First Artists Management and 2050 Community</p>	<p>Mentoring the Directors, continued support and guidance culminating in a successful application to the Arts Council for the BOP Live</p> <p>Festival – BAFA UK Board member</p> <p>Ongoing participation in the Black Association for Arts UK led by founder, Cleveland Watkiss, MMC Patron Jazzie B and other Black industry professionals to establish network and opportunities, including CICAS® members</p> <p>CICAS® members involvement in the 696 Festival and participation in the 696 Film focused on the impact of the 696 legislation and its impact on Black music, featuring interviews with CAPs member, DJ Ng, MMC's Executive Director and SDS partner Makeda Bennett</p> <p>Partner with Lionbeat on the development of the zero-carbon BASSISBIKES (audio & visual), linking with potential additional partners</p> <p>Commission for IRIE! dance theatre's L-BOC Bop dance creating the Lewisham Anthem written and produced by Concise One and Demdrums incorporated into IRIE!'s schools' video</p> <p>New industry partnerships creating pathway opportunities</p>
International	<p>Creative Knowledge & Skills Cultural Partnership – Mauritius</p> <p>WOMEX Digital 2021</p>	<p>On hold.</p> <p>Participation in online networking with a range of international music businesses.</p>

DIRECTORS' REPORT
For the year ended 31 March 2022

Events	The Breakout Club CICAS® Sessions (5) x digital events	Live music events postponed during the pandemic until July 2022 Pre-recorded performances online supporting 10 artists to profile their music, hosted by CICAS® member, Ola Torch
Seminars, Forums & Conferences	The staff team engaged with various forums and events, including, Lewisham Music, LEAN, BPI's Music Export Growth Scheme Board, Folk Talk Academy, Artist & Manager's Awards, AIM Awards, MMC Music Manager Accelerator programme panel, Reel Rebel Radio, IRIE! dance theatre, NX Hub – Goldsmiths, Black Lives in Music, Black Curriculum panel x Beggars Group, Trinity Laban Ignite panel, UK Music Diversity Taskforce, London Youth + more	Contribution to panels, local community, and creative strategies, as well as raising the profile of the charity. Extension of links and contacts within the commercial UK music industry and other creative industries.

Financial Review

The principal funding sources were the Arts Council England (NPO & Cultural Recovery Fund), the London Borough of Lewisham and Tom ap Rhys Pryce Memorial Trust, with additional funds from the Jack Petchey Foundation.

The application submissions to the London Community Response Fund, Youth Music, Worshipful Company of Glovers and Morrison's Foundation were unsuccessful.

The Charity received donations via Easy Fundraising, Amazon Smile, PayPal, DONR and JustGiving.

The Directors' focus on maintaining financial stability by working with The Fundraisers to increase the Charity's fundraising capacity and supporting the Executive Director's workload, led to a successful four-year application to the Paul Hamlyn Foundation for 2022 – 2026, with outstanding applications to Warner Music Group Blavatnik Family Foundation and open discussions with the Sony Music Group & Universal Music Social Justice Funds – Sony Music are revising their application process, which will be made via their US portal. Lewisham Council funding has been secured under the Lewisham Arts & Culture Fund 2022 – 2025.

Investment Powers & Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Directors wish.

The Directors, having regard for the objects stated in the Memorandum of Association, have operated a policy of keeping available funds in an interest-bearing account as part of their reserves policy.

Reserves Policy

The activities of The Midi Music Company are financed on a project-funding basis with a measure of unrestricted funding to cover necessary administration and overheads. There are no capital reserves that can be placed on deposit or otherwise prudently invested. Accordingly, all cash resources are held in the charity's current and reserve accounts. A reserve account has been established at CAF Bank and Charity Bank providing financial resources in the event of cash flow requirements and redundancy packages. An annual deposit is made, when possible, and interest is accrued quarterly.

DIRECTORS' REPORT

For the year ended 31 March 2022

The actual reserve account balance held in the CAF Bank account at 31st March 2022 was £20,172 and Charity Bank was £50,501. As of the year-end, the Charity held £94,862 (2021: £108,788) in Unrestricted funds and £850 (2021: £Nil) in Restricted funds.

Plans for Future Periods

MMC's return to the building and delivering in-person programmes signifies an opportunity to review the artistic programmes enabling the staff team and Cre8tiv© Youth Forum to respond to survey responses and assess the market due to the cost-of-living crisis and demands on low-income families' disposable income. The core programmes will continue to be delivered onsite with hybrid activities for the CICAS® programme, 1:1s online and in-person access to rehearsal and recording facilities, supported by the return of The Breakout Club live events.

MMC has created a safe working environment with the support of the Culture Recovery Fund and the Health & Safety Support Package with WorkNest (formerly Law At Work Ltd) ensuring COVID-compliance and updated risk assessments.

We will continue to maintain and establish collaborative projects, including working with BAFA UK to deliver the first-ever Black Arts & Culture Symposium in partnership with The Albany, SDS Entertainment, Lewisham Borough of Culture, IRIE! dance theatre, Black Lives in Music and other relevant organisations, talent development and music education programmes for aspiring and emerging artists, as well as partnerships with Lionbeat in Lewisham, SDS Entertainment in Croydon and Camberwell Fair in Southwark.

Small Company Special Provisions

The report of the Directors has been prepared taking advantage of the small companies' exemption of section 417 (1) of the Companies Act 2006. It was approved, and authorised for issue, by the Directors on 16 September 2022 and signed on its behalf by:



Gordon Williams
Chair, Board of Directors

THE MIDI MUSIC COMPANY
(A company limited by guarantee and registered charity)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Independent examiner's report to the Directors of The Midi Music Company ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Dated: 30/09/2022

Cara Miller ACCA

MHA MacIntyre Hudson
910 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

THE MIDI MUSIC COMPANY
(A company limited by guarantee and registered charity)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Grants, Trusts and donations	3	177,494	39,301	216,795	228,055
Course fees		2,432	-	2,432	4,170
Event and venue hire		2,208	-	2,208	304
Bank interest receivable		183	-	183	301
Other income		9,795	-	9,795	7,767
Total income		192,112	39,301	231,413	240,597
Expenditure on:					
Charitable activities:					
Staff costs	7	136,117	7,778	143,895	152,200
Project costs	4	11,440	9,921	21,361	12,984
Office costs	5	30,955	11,481	42,436	34,952
Publicity		6,549	631	7,180	2,991
Music equipment maintenance		1,190	-	1,190	-
Governance costs	6	7,959	8,640	16,599	4,777
Depreciation		11,828	-	11,828	11,528
Total expenditure		206,038	38,451	244,489	219,432
Other recognised gains:					
Net movement in funds		(13,926)	850	(13,076)	21,165
Reconciliation of funds:					
Total funds brought forward		108,788	-	108,788	87,623
Net movement in funds		(13,926)	850	(13,076)	21,165
Total funds carried forward		94,862	850	95,712	108,788

All income and expenditure derives from continuing activities. The Statement of financial activities includes all gains and losses recognised in the year. In 2021, of the total income of £240,597, £211,759 was to unrestricted funds and £28,838 was to restricted funds. In 2021, of the total expenditure of £219,432, £190,094 was from unrestricted funds and £29,338 was from restricted funds.

The notes on pages 14 - 29 form part of these financial statements.

THE MIDI MUSIC COMPANY
(A company limited by guarantee and registered charity)
REGISTERED NUMBER: 02989656

BALANCE SHEET
AS AT 31 MARCH 2022


	Note	2022 £	2021 £
Fixed assets			
Tangible assets	9	23,687	34,315
Investments	10	1	1
		<u>23,688</u>	<u>34,316</u>
Current assets			
Debtors	11	1,500	1,500
Cash at bank and in hand		92,200	88,228
		<u>93,700</u>	<u>89,728</u>
Creditors: amounts falling due within one year	12	(21,676)	(15,256)
Net current assets		<u>72,024</u>	<u>74,472</u>
Total net assets		<u><u>95,712</u></u>	<u><u>108,788</u></u>
Charity funds			
Restricted funds	13	850	-
Unrestricted funds	13	94,862	108,788
Total funds		<u><u>95,712</u></u>	<u><u>108,788</u></u>


The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Directors on 29.9.2022 and signed on their behalf by:


.....
Gordon Williams
Chair


.....
Geraint Howells
Treasurer

THE MIDI MUSIC COMPANY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Midi Music Company is a private charitable company and is registered with the Charity Commission (Charity Registered Number 1045693) and Registrar of Companies (Company Registration Number 02989656) in England and Wales.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to provide a space for all children and young people to be inspired to get into music and the creative industries.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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) and the Companies Act 2006.

The Midi Music Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in pound sterling, which is the presentational and functional currency of the Charity, and are rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Going concern

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern including the impact of COVID-19. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing these financial statements.

THE MIDI MUSIC COMPANY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

The Charity receives grants in respect of furthering its charitable objectives. Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE MIDI MUSIC COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Improvements to rented property	- 20 years
Office equipment	- 4 years
Music equipment	- 4 years

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

The investment in the Charity's trading subsidiary is included on the Balance Sheet at cost. The last valuation was carried out in September 2008. The Directors are satisfied that there has been no significant change in market value since this date.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE MIDI MUSIC COMPANY
(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The Charity only holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors - trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 11. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Liabilities - trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in Note 12. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2.13 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations, grants and trusts

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	5,320	-	5,320
Grants and Trusts	170,974	39,301	210,275
In-kind donations	1,200	-	1,200
	<u>177,494</u>	<u>39,301</u>	<u>216,795</u>
	<u>177,494</u>	<u>39,301</u>	<u>216,795</u>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	4,439	-	4,439
Grants and Trusts	182,589	28,838	211,427
In-kind donations	12,189	-	12,189
	<u>199,217</u>	<u>28,838</u>	<u>228,055</u>
	<u>199,217</u>	<u>28,838</u>	<u>228,055</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Analysis of Grants and Trusts

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Arts Council England grant	119,391	-	119,391
Arts Council Funding CRF	11,383	19,771	31,154
London Borough of Lewisham grant	38,200	-	38,200
Jack Petchey grant	-	850	850
Tom Ap Rhys Pryce Trust	-	10,000	10,000
Can you CIC it grant	2,000	8,680	10,680
	<u>170,974</u>	<u>39,301</u>	<u>210,275</u>

There are no unfulfilled conditions or other contingencies attached to the government grants above.

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Arts Council England grant	140,389	18,018	158,407
London Borough of Lewisham grant	38,200	1,000	39,200
Jack Petchey grant	-	(500)	(500)
Tom Ap Rhys Pryce Trust	4,000	10,000	14,000
Can you CIC it grant	-	320	320
	<u>182,589</u>	<u>28,838</u>	<u>211,427</u>

4. Project costs

	2022 £	2021 £
Trainee costs	16,598	7,278
Travel and subsistence	3,132	3,701
Documents and material	1,194	1,566
Training	437	439
	<u>21,361</u>	<u>12,984</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Office costs

	2022 £	2021 £
Light, heat and premises	19,228	12,133
Rent	(528)	74
Insurance	5,215	4,328
Postage and stationary	3,312	2,796
Telephone and internet	13,903	14,482
Office equipment maintenance	1,028	1,017
Bank charges	278	122
	<hr/> 42,436 <hr/>	<hr/> 34,952 <hr/>

6. Governance costs

	2022 £	2021 £
Independent Examiners' remuneration	3,660	3,672
Independent Examiners' remuneration - Other fees	900	132
Professional fees	12,039	973
	<hr/> 16,599 <hr/>	<hr/> 4,777 <hr/>

THE MIDI MUSIC COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Staff costs

	2022 £	2021 £
Wages and salaries	139,343	146,980
Social security costs	3,932	4,458
Contribution to defined contribution pension schemes	620	762
	<u>143,895</u>	<u>152,200</u>

Included within wages and salaries are £11,815 to freelance tutors (2021 - £9,815) and £46,468 to self-employed and casual staff (2021 - £43,435).

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	2021 No.
Direct staff	<u>3</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total amount of employee benefits received by Key Management Personnel was £55,679 (2021 - £55,688), which includes employers national insurance contributions and employers pension contributions. A salary advance of £1,500 was received by a member of Key Management Personnel in 2020 and this is included within other debtors at the year-end. The Charity considers its Key Management Personnel comprise the Directors and Executive Director.

8. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Director expenses have been incurred (2021 - £NIL).

THE MIDI MUSIC COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Tangible fixed assets

	Improve- ments to rented property £	Office equipment £	Music equipment £	Total £
Cost or valuation				
At 1 April 2021	131,806	60,684	100,510	293,000
Additions	-	-	1,200	1,200
Disposals	-	-	(95)	(95)
At 31 March 2022	131,806	60,684	101,615	294,105
Depreciation				
At 1 April 2021	119,245	50,494	88,946	258,685
Charge for the year	6,590	679	4,559	11,828
On disposals	-	-	(95)	(95)
At 31 March 2022	125,835	51,173	93,410	270,418
Net book value				
At 31 March 2022	5,971	9,511	8,205	23,687
At 31 March 2021	12,561	10,190	11,564	34,315

THE MIDI MUSIC COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	1
	<hr/>
At 31 March 2022	1
	<hr/> <hr/>
Net book value	
At 31 March 2022	1
	<hr/>
<i>At 31 March 2021</i>	<i>1</i>
	<hr/> <hr/>

The Midi Music Company Events Limited

The Midi Music Company holds 1 £1 ordinary shares in The Midi Music Company Events Limited (Company Number: 04654990), representing a 100% holding.

The registered office of The Midi Music Company Events Limited is 77 Watsons Street, Deptford, London, SE8 4AU.

The financial results of the subsidiary were as follows:

Income - £NIL

Expenditure - £NIL

Surplus for the period - £NIL

Net assets - £1

In February 2003, the Charity formed Midi Music Company Events Limited, which is a wholly owned trading subsidiary formed for the purpose of organising large scale youth arts events. Consolidated accounts have not been prepared in respect of its subsidiary company because the group qualifies as a small group under section 398 of the Companies Act 2006. It is currently dormant and the capital of The Midi Music Company Events Limited, for the year ended 31 August 2021 is shown above.

THE MIDI MUSIC COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	1,500	1,500
	<u>1,500</u>	<u>1,500</u>

12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	11,095	9,393
Other taxation and social security	1,841	2,120
Other creditors	80	143
Accruals and deferred income	8,660	3,600
	<u>21,676</u>	<u>15,256</u>

	2022 £	2021 £
Deferred income		
Resources deferred during the year	<u>5,000</u>	<u>-</u>

The balance of deferred income as at 31 March 2022 relates to grant income received in advance of the next financial year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Fixed asset fund	34,315	-	-	(10,628)	23,687
General funds					
General Fund	74,473	192,112	(206,038)	10,628	71,175
Total Unrestricted funds	108,788	192,112	(206,038)	-	94,862
Restricted funds					
Tom's Trust	-	10,000	(10,000)	-	-
Jack Petchey Foundation	-	850	-	-	850
Arts Council Funding CRF	-	19,771	(19,771)	-	-
Can You CIC It	-	8,680	(8,680)	-	-
	-	39,301	(38,451)	-	850
Total of funds	108,788	231,413	(244,489)	-	95,712

THE MIDI MUSIC COMPANY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Statement of funds (continued)

The Fixed asset fund represents the net book value of unrestricted tangible fixed assets. Each year any additions or disposal movements are transferred between this fund and Unrestricted funds.

Unrestricted funds are general funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Of the net transfer in of £10,628, £6,590 relates to the release of a Capital Lottery grant to the General Fund plus £5,238 for the depreciation of equipment, less £1,200 for additions in the period.

The Tom's Trust fund represents amounts received from Tom ap Rhys Pryce Memorial Trust to fund the Aspiring Young Musicians project, which is for songwriting and music production tuition and the Tom ap Rhys Pryce Music Bursary Awards to The Conservatoire, with partner nominations from YUAF and Fairbeats Music.

The Jack Petchey Foundation grant represents funds which are to be used for the Outstanding Achievement Awards presented to the Aspiring Young Musicians students.

The Arts Council Cultural Recovery Fund represents the funding received to enable the return to the building.

The Can You CIC It fund represents the funds received to cover the costs of coordinating the VENN21 collaborative songwriting project with The Warren in Hull.

THE MIDI MUSIC COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Unrestricted funds					
Designated funds					
Fixed asset fund	22,786	-	-	11,529	34,315
General funds					
General Fund	64,337	211,759	(190,094)	(11,529)	74,473
Total Unrestricted funds	87,123	211,759	(190,094)	-	108,788
Restricted funds					
Tom's Trust	-	10,000	(10,000)	-	-
Jack Petchey Foundation	500	(500)	-	-	-
NPO Emergency Fund	-	18,018	(18,018)	-	-
London Borough of Lewisham	-	1,000	(1,000)	-	-
Can You CIC It	-	320	(320)	-	-
	500	28,838	(29,338)	-	-
Total of funds	87,623	240,597	(219,432)	-	108,788

THE MIDI MUSIC COMPANY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	23,687	-	23,687
Fixed asset investments	1	-	1
Current assets	92,850	850	93,700
Creditors due within one year	(21,676)	-	(21,676)
Total	94,862	850	95,712

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	34,315	34,315
Fixed asset investments	1	1
Current assets	89,728	89,728
Creditors due within one year	(15,256)	(15,256)
Total	108,788	108,788

15. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £620 (2021 - £762). Contributions of £80 (2021 - £143) were payable to the fund at the Balance Sheet date and are included in other creditors.

16. Related party transactions

There are no related party transactions during the year other than Key Management Personnel remuneration shown in Note 7. The Executive Director was not remunerated in the current or prior year for her role as a professional artist manager.

THE MIDI MUSIC COMPANY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. Section 37 disclosure

The Charity has recognised total income from the London Borough of Lewisham of £38,200 (2021 - £38,200) in respect of grant aid for core costs and £Nil (2021 - £1,000) for specific restricted projects. These funds were fully expended during the year (2021 - fully expended). At 31 March 2022, £Nil (2021 - £Nil) has been deferred to the next financial year.

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**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2022 £	2021 £	2021 £
INCOME				
Grants	188,745		197,607	
Trust income	21,530		13,820	
Hire services	2,208		304	
Course fees	2,432		4,170	
Interest receivable	183		301	
Donations and other income	16,315		24,395	
	<hr/>		<hr/>	
Total income		231,413		240,597
EXPENDITURE				
Salaries	85,612		98,950	
Casual and self-employed staff	58,283		53,250	
Premises and office running costs	42,158		34,830	
Trainee costs	16,598		7,278	
Documents and materials	1,194		1,566	
Staff travel, subsistence and training	3,569		4,140	
Publicity	7,180		2,991	
Bank charges	278		122	
Music equipment maintenance	1,190		-	
Depreciation	11,828		11,528	
Governance costs	16,599		4,777	
	<hr/>		<hr/>	
Total expenditure		244,489		219,432
		<hr/>		<hr/>
Net (expenditure)/income for the reporting period		(13,076)		21,165
		<hr/> <hr/>		<hr/> <hr/>