

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

MYRUS SMITH
Chartered Accountants

Norman House,
8 Burnell Road,
Sutton, Surrey.
SM1 4BW

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Directors and Advisers	1
Trustees' Annual Report	2 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14-26

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 2024**

Directors	Gordon Williams, Chair Geraint Howells, Treasurer Isabel Newman Robert Fitzpatrick Indy Vidyalkara Mervyn Lyn Claire Shomade
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	Myrus Smith Norman House 8 Burnell Road Sutton Surrey, SM1 4BW
Bankers	Barclays Bank Plc 93 Lewisham High Street Lewisham SE13 6BB CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ Charity Bank Ltd Fosse House 182 High Street Tonbridge TN9 1BE

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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 a preliminary meeting with the Chair and Executive Director, plus an induction meeting with the Executive Director to brief them on the vision, 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.

During the observation Board meeting new Directors can raise any queries or 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 and Clore Cultural Leadership 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.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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 of the charity 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-establish the core programme and engage regular and new participants, continued growth of CICAS® and CAPs members for rehearsals, collaborations and recordings; retaining ongoing investment from the London Borough of Lewisham, Arts Council England, Tom ap Rhys Pryce Memorial Trust and the Paul Hamlyn 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 2023, plus engagement in the AIM + FAC Artists & Managers Awards Panel, MMF Managers Accelerator Programme panel, with the UK Music 5 Ps partnership with [PIAS], contributing towards greater diversity with the music business and nurturing talent pathways. Support was also provided for various campaigns including, #FreeMoveCreate, #EveryChildAMusician, #100PercentVenues, #LetTheMusicPlay, #savebrixtonacademy 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, support 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.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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, mixing & mastering, 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. The 1:1 advice, support and guidance sessions continue online via Zoom, enabling more young people from across the country to access careers 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 onsite.

The CICAS® Podcasts continue to profile emerging talent on Soundcloud, MMC’s website and newsletter.

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 fully re-instated.

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. The Conservatoire also supports the programme by providing extended bursaries, where possible, plus the Jack Petchey Foundation distributes 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 or providing pathways to performance opportunities
- 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.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Achievements & Performance

MAIN ACTIVITIES	OUTCOMES	KEY FACTORS
Aspiring Young Musicians (AYM) Cre8tiv®	<p>24 children aged 11 – 16 participated in Music Production, MC/Spoken Word and Keyboards for Songwriting classes.</p> <p>47 students aged 16+ participated in the Music Production, Mixing & Mastering & new DJ Skills evening courses and one-day DIY Releasing course</p>	<p>AYM students in Year 10 & 11 were studying for GCSEs during the academic year reducing registrations.</p> <p>17% increase in registrations during the year and the introduction of the DJ Skills course led to students DJing at external events.</p>
CICAS®: Creative Industries Careers Advice Service (pronounced "Seekers")	<p>1,447 young adults aged 16+ received 'one-to-one' information, advice and guidance, as well as access to resources, marketing support, funding advice & guidance, industry contacts and artistic development.</p> <p>CICAS® Podcasts – on our MMC website profiling 12 Young Entrepreneurs/Artists</p> <p>CICAS® Internships for 3 young producers</p>	<p>On-going demand with 44% increased users, including other unregistered band members and artists – registered CICAS® members surveyed (218) with 60% remaining registered with industry bodies, 13 x CICAS® 31+ members and 74 x CICAS® alumni part of the Creative Associate Professional (CAPs) programme.</p> <p>Opportunity for CICAS® members to feature in an on-line podcast.</p> <p><i>Arinola</i> continued her internship releasing her second single 'Thought U Might', garnering interest from Europe's leading Music Producer Manager, <i>Stephen Budd</i>. <i>Isaac Baden-Powell</i> aka <i>Wazoo</i> completed the internship with a remix by <i>Dave Okumu 'Eja'</i> and continues to run his Greenwich-based recording studio. New Intern <i>Rowan Mathews</i> aka <i>Mantooth</i> started Autumn 2023. The Interns attended the Artists & Managers Awards, MMF Manager Accelerator programme 5th anniversary @ YouTube and other relevant industry seminars.</p>

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Music Explosion™ Industry Talks + Networking	A series of music business talks with Q&A and networking, covering recording & distribution, music contracts, digital marketing, independent record labels, funding audience development and business affairs – 37 x participants aged 16+	These sessions were supported by: 0207 Def Jam Records, Rapture Records, [PIAS], PRS for Music Foundation and the Arts Council.
Summer Showcase & mini Sharings	2 x AYM Sharings at the end of each term inperson with students and parents/carers/friends 1 x Summer Showcase	The Sharings and Summer Showcase are great opportunities for students to showcase their ongoing work and see their peers perform from the Tom ap Rhys Pryce Music Bursary Award winners.
Outreach & Partnerships	8 x bursary awards to children and young people aged 11 - 19 to attend The Conservatoire in Blackheath for 1:1 tuition over the period of one year Placements and work experience from educational establishments Deaf Rave Music Production & Access programme for Deaf young people. Deaf Rave CIC	Tom's Trust supports the Bursary programme allowing the cohort to develop instrumental skills on an instrument of their choice. MMC hosted a 2mth internship from University of Sussex and work experience placements from Prendegast Ladywell, Sydenham Girls and Bexley Grammar Secondary Schools. Continued to support Deaf producers and sign song artists: SignKid was profiled on the BBC signed Live Lounge and was sponsored by Champion brand with a feature in High Snobiety. MC Geezer is studying at Westminster University. Introduced Deaf Rave to Sony Music and the Association for Independent Festivals to support opportunities for sign song artists and greater understanding of the Deaf community.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

	<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>Steam Down</p> <p>Bacon's College - Southwark</p> <p>Association of Independent Music (AIM)</p> <p>Featured Artist Coalition (FAC)</p> <p>London Landmarks Half Marathon/MMC Takeover</p> <p>SDS Entertainment - Croydon</p> <p>BAFA UK</p>	<p>Continued progression routes for young people into the creative & cultural industries, supported by referrals. Identifying additional partners.</p> <p>The continued development of a strategic grass roots network with the capacity to record, release, publish and distribute new music</p> <p>Steam Down did a grassroots tour in the USA after getting their US visas supported by MMC,</p> <p>MMC worked with 26 x students to develop production and songwriting skills, culminating in a recording session at MMC.</p> <p>Partnership organisation with free or discounted access for CICAS® & CAPs members to AIM Sync Conference, AIM Connected Conference, AIM Academy webinars and industry intelligence</p> <p>Partnership organisation with free and discounted access to webinars and industry intelligence, plus CICAS® member opportunities to become FAC Ambassador</p> <p>3 x artists performed on the Queen Street Stage; Angelina Luzi, Damelola and Barbarella hosted by Ola Torch</p> <p>Continued mentoring, support and guidance. Developing AI + Music project partnership with MMC – BAFA UK Board member</p> <p>Ongoing participation in the Black Association for Arts UK led by founder, Cleveland Watkiss and chaired by James Joseph</p>
--	--	---

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

	<p>Lionbeat</p> <p>Lewisham Cultural Partnership</p> <p>[PIAS] – Black History Month Event – Southwark</p>	<p>Partnered with Lionbeat on the <i>Local is Logical</i> BassisBike zero-carbon project sponsored by Matt Black</p> <p>MMC joined the LCP Board working with other creative organisations across the borough</p> <p>Delivery of Resonance in partnership with [PIAS] providing a music industry panel and artist showcase at Peckham Audio</p>
International	<p>Creative Knowledge & Skills Cultural Partnership – Mauritius</p> <p>WOMEX 2023</p>	<p>On hold.</p> <p>Participation in person in Spain with a range of international music businesses.</p>
Events	<p>3 x The Breakout Club - 235 audience</p>	<p>Live music events at the Fox + Firkin featuring emerging artists</p>
Seminars, Forums & Conferences	<p>The staff team engaged with various forums, industry bodies and events, including, Lewisham Music, LEAN, BPI's Music Export Growth Scheme Board, Artist & Manager's Awards, AIM Awards, MMF Music Manager Accelerator programme panel, Association for Electronic Music (AFEM), Action for Diversity & Development, English Folk Expo, IRIE! dance theatre, Black Lives in Music, UK Music Diversity Taskforce, London Youth + more</p>	<p>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.</p>

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Financial Review

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

The applications to Warner Music Group Blavatnik Family Foundation and London Youth were unsuccessful.

The Charity received donations via Easy Fundraising, Amazon Europe, PayPal, DONR and BPI.

The Directors' focus on identifying philanthropic and corporate social responsibility investment, with ongoing discussions with the Sony Music Social Justice Fund and exploratory talks with PPL. The Arts Council England NPO and Lewisham Council investments are subject to potential one-year extensions taking their commitments up to 2027 and 2026, respectively.

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.

The actual reserve account balance, held in the CAF Gold Bank account, on 31st March 2024 was £20,756.27 and Charity Bank was £52,454.73.

Plans for Future Periods

MMC's ongoing priority is to attract permanent staff to the core team having utilised temporary cover staff in 2023/24, with current recruitment and retainment issues affecting the cultural & creative industries and other sectors, both private and public.

The enhancement of the artistic programme with a variety of music projects currently in development that will add value to the core programme and bring greater benefits to a range of partnerships, including the music industry, establishing collaborative projects with [PIAS] Diversity Team to deliver Music Explosion Speed Dating Talks/Q&As, Lewisham Cultural Partnership, IRIE! dance theatre, Association for Electronic Music, English Folk Expo and other relevant organisations, talent development and music education programmes for aspiring and emerging artists, as well as partnerships with Lionbeat in Lewisham and SDS Entertainment in Croydon.

THE MIDI MUSIC COMPANY

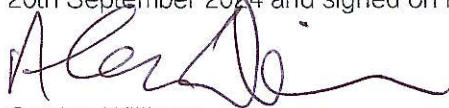
(A company limited by guarantee and registered charity)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

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 20th September 2024 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 2024

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2024 which are set out on pages 10 to 22.

Responsibilities and basis of report

As the charity trustees of the company (and also 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').

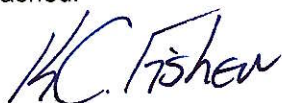
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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 that in any material respect:

1. accounting records were not kept in respect of the company 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.



K.C. Fisher FCA
% Myrus Smith
Chartered Accountants

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

30 September 2024

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 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income from:					
Grants, Trusts and donations	3	183,913	24,510	208,423	205,506
Course fees		5,400	-	5,400	5,159
Event and venue hire		6,356	-	6,356	4,692
Bank interest receivable		1,904	-	1,904	772
Other income		1,644	-	1,644	1,300
Total income		<u>199,217</u>	<u>24,510</u>	<u>223,727</u>	<u>217,429</u>
Expenditure on:					
Charitable activities:					
Staff costs	7	146,051	5,026	151,077	135,465
Project costs	4	12,286	15,224	27,510	15,815
Office costs	5	38,454	400	38,854	41,508
Publicity		6,308	500	6,808	6,688
Music equipment maintenance		-	-	-	373
Governance costs	6	4,686	-	4,686	5,426
Depreciation		6,063	-	6,063	11,209
Total expenditure		<u>213,848</u>	<u>21,150</u>	<u>234,998</u>	<u>216,484</u>
Net movement in funds		<u>(14,631)</u>	<u>3,360</u>	<u>(11,271)</u>	<u>945</u>
Reconciliation of funds:					
Total funds brought forward		96,157	500	96,657	95,712
Net movement in funds		(14,631)	3,360	(11,271)	945
Total funds carried forward		<u>81,526</u>	<u>3,860</u>	<u>85,386</u>	<u>96,657</u>

All income and expenditure derives from continuing activities. The Statement of Financial Activities includes all recognised gains and losses recognised in the year. In 2023, of the total income of £217,429, £206,529 was to unrestricted funds and £10,906 was to restricted funds. In 2023, of the total expenditure of £216,484, £205,234 was from unrestricted funds and £11,250 was from restricted funds.

The notes form part of the financial statements.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

BALANCE SHEET

AS AT 31 MARCH 2024


		2024	2023
	Notes	£	£
FIXED ASSETS			
Tangible assets	9	6,415	12,478
Investments	10	1	1
		<u>6,416</u>	<u>12,479</u>
CURRENT ASSETS			
Debtors	11	-	1,500
Cash at bank and in hand		93,670	94,444
		<u>93,670</u>	<u>95,944</u>
CREDITORS: Amounts falling due within one year	12	(14,700)	(11,766)
NET CURRENT ASSETS		<u>78,970</u>	<u>84,178</u>
TOTAL NET ASSETS		<u>85,386</u>	<u>96,657</u>
Charity Funds			
Restricted funds		3,860	500
Unrestricted funds		81,526	96,157
Total funds		<u>85,386</u>	<u>96,657</u>

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

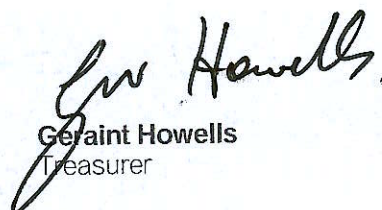
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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 20th September 2024 and signed on its behalf by:



Gordon Williams
Chair



Geraint Howells
Treasurer

The notes form part of the financial statements.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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 functional currency of the Charity and 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. 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.

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.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting Policies (continued)

2.3 Income (continued)

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.

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.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting Policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

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 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.

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.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting Policies (continued)

2.11 Liabilities and provisions (continued)

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.

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.

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

3. Income from donations, grants and trusts

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Donations	930	10,000	10,930
Grants and Trusts	182,983	14,510	197,493
In-kind donations	-	-	-
	<u>183,913</u>	<u>24,510</u>	<u>208,423</u>
	Unrestricted Funds 2023 £	Restricted Funds 2023	Total Funds 2023 £
Donations	15,215	-	15,215
Grants and Trusts	179,391	10,900	190,291
In-kind donations	-	-	-
	<u>194,606</u>	<u>10,900</u>	<u>205,506</u>

Analysis of Grants and Trusts

	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
Arts Council England grant	119,391	-	119,391
London Borough of Lewisham grant	30,592	-	30,592
Jack Petchey grant	-	900	900
Tom Ap Rhys Pryce Trust	-	13,610	13,610
Paul Hamlyn Foundation	33,000	-	33,000
	<u>182,983</u>	<u>14,510</u>	<u>197,493</u>

There are no unfulfilled conditions or other contingencies attached to the government grants above and below:

THE MIDI MUSIC COMPANY**(A company limited by guarantee and registered charity)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2024****3. Income from donations, grants and trusts (continued)****Analysis of Grants and Trusts (continued)**

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Arts Council England grant	119,391	-	119,391
London Borough of Lewisham grant	30,000	-	30,000
Jack Petchey grant	-	900	900
Tom Ap Rhys Pryce Trust	-	10,000	10,000
Paul Hamlyn Foundation	30,000	-	30,000
	<u>179,391</u>	<u>10,900</u>	<u>190,291</u>

4. Project costs

	Total 2024 £	Total 2023 £
Trainee costs	11,344	10,626
Travel and subsistence	4,873	3,586
Documents and material	696	690
Training	1,597	913
Special Projects	9,000	
	<u>27,510</u>	<u>15,815</u>

5. Office costs

	Total 2024	Total 2023
Light, heat and premises	17,937	17,341
Rent	154	143
Insurance	4,588	5,273
Postage and stationery	3,805	3,367
Telephone and internet	11,131	13,557
Office equipment maintenance	921	1,575
Bank charges	318	252
	<u>38,854</u>	<u>41,508</u>

THE MIDI MUSIC COMPANY**(A company limited by guarantee and registered charity)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2024****6. Governance costs**

	Total 2024	Total 2023
Independent Examiners' remuneration	3,600	4,020
Independent Examiners' remuneration – Other fees	-	420
Professional fees	1,086	986
	<u>4,686</u>	<u>5,426</u>

7. Staff costs

	Total 2024	Total 2023
Wages and salaries	148,100	131,924
Social security costs	2,977	3,436
Contribution to defined contribution pension schemes	-	105
	<u>151,077</u>	<u>135,465</u>

Included within wages and salaries are £8,605 to freelance tutors (2023 : £8,040) and £63,495 to self-employed and casual staff (2023 : £45,143).

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

	2024 No	2023 No
Direct staff	<u>2</u>	<u>2</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 £56,783 (2023 : £57,088) which includes employers national insurance contributions and employers pension contributions. The charity considers its Key Management Personnel to comprise the Directors and Executive Director.

8. Directors remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2023 : £Nil).

During the year ended 31 March 2024, no Director expenses have been incurred (2023 : £Nil).

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

9. Tangible fixed assets

	Improvements to rented property £	Office equipment £	Music equipment £	Total £
Cost or valuation				
At 1 April 2023	131,806	26,774	91,171	249,751
Disposals	-	-	-	-
At 31 March 2024	<u>131,806</u>	<u>26,774</u>	<u>91,171</u>	<u>249,751</u>
Depreciation				
At 1 April 2023	131,806	17,942	87,525	237,273
Charge for the year	-	2,717	3,346	6,063
On disposal	-	-	-	-
At 31 March 2024	<u>131,806</u>	<u>20,659</u>	<u>90,871</u>	<u>243,336</u>
Net book value				
At 31 March 2024	<u>-</u>	<u>6,115</u>	<u>300</u>	<u>6,415</u>
At 31 March 2023	<u>-</u>	<u>8,832</u>	<u>3,646</u>	<u>12,478</u>

10. Fixed asset investments

	Investments in subsidiary Companies £
Cost or valuation	
At 1 April 2023	<u>1</u>
At 31 March 2024	<u>1</u>
Net book value	
At 31 March 2024	<u>1</u>
At 31 March 2023	<u>1</u>

THE MIDI MUSIC COMPANY**(A company limited by guarantee and registered charity)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2024****10. Fixed asset investments (continued)****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 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 2023 is shown above.

11. Debtors	2024	2023
	£	£
Due within one year		
Other debtors	-	1,500
	<u>-</u>	<u>1,500</u>
	<u>-</u>	<u>1,500</u>
12. Creditors: Amounts falling due within one year	2024	2023
	£	£
Trade creditors	9,150	6,237
Other taxation and social security	1,950	1,509
Other creditors	-	-
Accruals and deferred income	3,600	4,020
	<u>14,700</u>	<u>11,766</u>
Deferred income		
At 1 April 2023	-	5,000
Resources deferred during the year	-	-
Amounts released from previous periods	-	(5,000)
	<u>-</u>	<u>-</u>
At 31 March 2024	<u>-</u>	<u>-</u>

THE MIDI MUSIC COMPANY

(A company limited by guarantee and registered charity)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

13. Statement of funds	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2024 £
Statement of funds - Current year					
Unrestricted Funds					
Designated funds					
Fixed asset fund	12,478	-	-	(6,063)	6,415
General Funds					
General fund	83,679	199,217	(213,848)	6,063	75,111
Total Unrestricted funds	96,157	199,217	(213,848)	-	81,526
Restricted funds					
Tom's Trust	-	13,610	(10,750)	-	2,860
Jack Petchey Foundation	500	900	(1,400)	-	-
Special Project	-	10,000	(9,000)	-	1,000
	500	24,510	(21,150)	-	3,860
Total of funds	96,657	223,727	(234,998)	-	85,386

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. The net transfer in of £6,063 relates to the depreciation of equipment 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, including partner nominations from YUAF and Fairbeat Music. The additional Tom's Trust funds represent the new investment in the Music Camps programme.

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 Special Project fund represents the donation from Matt Black towards MMC's partner project with Lionbeat Ltd to launch the BASSISBIKES (zero-carbon & visual mobile sound system) with showcase events and audience developments.

THE MIDI MUSIC COMPANY**(A company limited by guarantee and registered charity)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2024****13. Statement of funds (continued)**

Statement of funds - Prior year	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2023 £
Unrestricted Funds					
Designated funds					
Fixed asset fund	23,687	-	-	(11,209)	12,478
General Funds					
General fund	71,175	206,529	(205,234)	11,209	83,679
Total Unrestricted funds	<u>94,862</u>	<u>206,529</u>	<u>(205,234)</u>	<u>-</u>	<u>96,157</u>
Restricted funds					
Tom's Trust	-	10,000	(10,000)	-	-
Jack Petchey Foundation	850	900	(1,250)	-	500
	<u>850</u>	<u>10,900</u>	<u>(11,250)</u>	<u>-</u>	<u>500</u>
Total of funds	<u>95,712</u>	<u>217,429</u>	<u>(216,484)</u>	<u>-</u>	<u>96,657</u>

THE MIDI MUSIC COMPANY**(A company limited by guarantee and registered charity)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2024****14. Analysis of net assets between funds**

Analysis of net assets between funds	Unrestricted	Restricted	Total
Current year	funds	Funds	Funds
	2024	2024	2024
	£	£	£
Tangible fixed assets	6,415	-	6,415
Fixed asset investments	1	-	1
Current assets	89,810	3,860	93,670
Creditors due within one year	(14,700)	-	(14,700)
Total	81,526	3,860	85,386

Analysis of net assets between funds	Unrestricted	Restricted	Total
Prior year	funds	Funds	Funds
	2023	2023	2023
	£	£	£
Tangible fixed assets	12,478	-	12,478
Fixed asset investments	1	-	1
Current assets	95,444	500	95,944
Creditors due within one year	(11,766)	-	(11,766)
Total	96,157	500	96,657

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 £Nil (2023 : £105). Contributions of £Nil (2023 : £Nil) were payable to the fund at the Balance Sheet date.

16. Related party transactions

The Executive Director was not remunerated in the current or prior year for her role as a professional artist manager. At the year end, there was an outstanding debtor balance of £Nil with the Executive Director (2023 : £1,500). There are no other related party transactions during the year other than the Key Management Personnel remuneration shown in Note 7.

17. Section 37 disclosure

The Charity has recognised total income from the London Borough of Lewisham of £30,592 (2023 : £30,000) in respect of grant aid for core costs. These funds were fully expended during the year (2023 : fully expended). At 31 March 2024, £Nil (2023 : £Nil) has been deferred to the next financial year.

THE MIDI MUSIC COMPANY**(A company limited by guarantee and registered charity)****INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2024 £	2023 £	2023 £
INCOME				
Grants	149,983		149,391	
Trust income	47,510		40,900	
Hire services	6,356		4,692	
Course fees	5,400		5,159	
Interest receivable	1,904		772	
Donations and other income	12,574		16,515	
Total income		223,727		217,429
EXPENDITURE				
Salaries	78,977		82,282	
Casual and self-employed staff	72,100		53,183	
Premises and office running costs	38,536		41,256	
Trainee costs	11,344		10,626	
Documents and materials	696		690	
Staff travel, subsistence and training	6,470		4,499	
Publicity	6,808		6,688	
Bank charges	318		252	
Music equipment maintenance	-		373	
Depreciation	6,063		11,209	
Governance costs	4,686		5,426	
Special projects	9,000		-	
Total expenditure		234,998		216,484
Income/(expenditure) for the reporting period		<u>£(11,271)</u>		<u>£945</u>