



HMDT music

ENSURING A MUSICAL FUTURE

ANNUAL REPORT AND ACCOUNTS 2022-23

HMDT Music
(A company limited by guarantee)
UNAUDITED

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2023**

Registered number: 03118155
Charity number: 1050520



HMDT MUSIC
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023**

Trustees	Michele Margaret Pullan, Chair Isabelle Beatrice Cadignan, Treasurer Tony Clark Farquhar McKay Raphaelle Catherine Madeleine Moysan Krishna Raman Lubia Begum-Rob
Company registered number	03118155
Charity registered number	1050520
Registered office	21 - 27 Lamb's Conduit Street London WC1N 3GS
Company secretary and Chief executive officer	Tertia Sefton-Green
Other patrons	Natalie Clein OBE, Patron Julian Joseph OBE, Patron Cleveland Watkiss MBE, Patron
Accountants	Griffin Stone Moscrop & Co Chartered Accountants 21-27 Lamb's Conduit Street London WC1N 3GS

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements of the Company for the 1 September 2022 to 31 August 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees 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 (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

a. Constitution

The company is limited by guarantee and has charitable status. The charity is governed by its memorandum and articles of association dated 14 December 2022.

b. Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making policies

The Board, which meets regularly, administers the charity. The Board decides key strategic and operational issues while responsibility for the day-to-day management of the charity is delegated to the Chief executive officer.

d. Policies adopted for the induction and training of Trustees

New trustees are briefed on their legal obligations under charity and company law, the contents of the Memorandum and Articles of Association, the future plans and financial performance of the charity.

e. Pay policy for key management personnel

The Board Finance Sub-Committee reviews staff pay from time to time.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

Music Treehouse

Our creative music-making project for children with SEND will expand into schools in partnerships with universities, to train students' workshop skills launching with a pilot in Slough with Royal Holloway and Reading Universities.

The Art of Inclusion

Following a pilot year, our training scheme for creative practitioners exploring diversity in the classroom will be expanded.

One Spirit Expansion

One Spirit will expand into new PRUs working with young people at risk of offending and offer new Advisory group sessions to potential participants.

Objectives and activities

a. Policies and objectives

The Charity's objects are restricted specifically for the public benefit:

- (a) to advance education in music and the arts, and
- (b) to promote music and the arts,

in particular but not exclusively by the creation, development and provision of workshops, programmes and music-related projects for people, including young people and young offenders and particularly without limitation those who are disadvantaged due to financial and/or other circumstances.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The Company's main strategy for the year was to ensure income generation and activity whilst still recovering from the lasting effects of the COVID-19 pandemic and negotiating through the cost of living crisis. This was achieved through new income-generated delivery such as our schools' theatre tour and STEM Sisters workshops, securing funds to support young people at risk of offending in PRUs, expanding our schools' delivery with the E Project schools' project and recruiting to increase numbers on our Saturday Programme.

c. Activities undertaken to achieve objectives

In order to achieve the Company's objectives there have been two main focuses: a shift in fundraising strategy, and a continuance of focus on quality delivery.

Overall, a loss in grant income was mitigated to some extent by an increase in unrestricted earned income. This allowed the Company to continue delivery in its three main areas of activity - the Saturday Programme performing arts school (which included grants for the Music Treehouse SEND project), In-School projects (E Project, Shakespeare project and STEM Sisters workshops), and in One Spirit Community Outreach projects.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

d. Main activities undertaken to further the Company's purposes for the public benefit

The Company has furthered public benefit this year through the projects noted in this report.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

a. Main achievements of the Company

2022-23 marked our resilience in unexpected ways and we are grateful that despite the difficulties of the cost of living crisis which has affected so many, we were still able to continue our work at full strength.

Our first national touring production of a show for rather than with, young people, Jina and the STEM Sisters celebrates historical women and their achievements through puppetry. Following its successful Spring tour it continued in the autumn where it received a great reception from schools and families at Pegasus Theatre Oxford; the egg Theatre Royal Bath; Norwich Puppet Theatre; Studio Sheffield Theatre and Minerva Chichester Festival Theatre where it was attended by audiences of nearly 2000.

September 2022 saw the launch of our new E Project: named because it aims to enrich, equalise, expand, embed, evaluate, engage primary schools through underpinning the themes of diversity, anti-racist practice, equity and equality through the curriculum using the arts. Working with schools in Luton, Stoke on Trent, Lytham and Hackney we delivered termly workshops in art, music and drama developing new and expanding use of our existing resources as well as online CPDs to support staff in embedding the arts across the curriculum. Alongside this we piloted our new Art of Inclusion training scheme with creative practitioners who wanted to develop their EDI practice and skills.

The Saturday Programme celebrated the 10th Anniversary of the Julian Joseph Jazz Academy with an acclaimed concert at World Heart Beat Embassy Gardens whilst CYMH combined forces to create a new orchestra which piloted its outing with excerpts of Beethoven 5 with great success. The growth of SP student numbers particularly in the earlier years was particularly visible in the production by I Can Sing! music theatre group of HMDT Music's 2003 opera The World Was All Before Them featuring stories of how families came to Hackney; a pertinent theme of refugees from across the world.

One Spirit continued to grow from strength to strength both reaching new young offenders in Oakhill STC, HMYOs Feltham and Cookham Woods and HMP Aylesbury and those on release in the community. For the first time we also worked in a Pupil Referral Unit (PRU) with those at risk of exclusion and offending forming a partnership with Roundwood School and Community and the Beckmead Trust.

With the sudden, severe illness of General Director Adam Eisenberg we were forced into an unexpected restructuring with former Creative Director Tertia Sefton-Green stepping up to become CEO and Outreach Manager Gavin Stewart promoted to Senior Manager. In mid May we were joined by our new Projects and Marketing Coordinator Abby Swain. Having led the Company for over 20 years, Adam's presence and skills were sorely missed but we're absolutely delighted he is now recovering well and will be re-joining us in a part time capacity in the new year of 2024.

Experiences such as this highlighted the huge commitment, hard work, creativity, energy and support of our wonderful staff, teams of artists, tutors and partners who continued to work tirelessly to build on the quality and reach of our work, and to whom we extend a huge thanks. Congratulations and thanks too to all our participants and families who in these ongoing difficult times of a cost of living crisis have continued to contribute to and support our work through this difficult year, which has again highlighted the crucial impact music and the arts has on all of our development, well-being and creativity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance (continued)

b. Key performance indicators

Priorities for 2022-23

GOALS

- To continue developing the use and reach of existing resources and projects;
- To strengthen the instrumental strand of the Saturday Programme with more sustainable opportunities particularly those aimed at older students;
- To develop a training scheme for practitioners to support how they embed Equality Diversity and Inclusion (EDI) across the curriculum;
- To expand our online presence and develop our marketing strategies.

OUTCOMES 2022-23

- The E Project developed and expanded our use of existing resources from former projects giving them a new reach and lease of life for sustainable use;
- A successful new orchestra bringing groups together was piloted for the older students which will continue for the foreseeable future;
- The first Art of Inclusion Training Course comprised in person and online training sessions, opportunities to shadow and lead sessions focused on methods of underpinning EDI across all learning through the arts;
- A new staff marketing role has enabled us to develop our marketing strategies and build on our online and in-person presence nationally and locally.

c. Review of activities

2022-23 saw the second part of our national touring production Jina and the STEM Sisters a puppet musical which celebrates historical STEM women. The E project was launched in 4 schools in Hackney, Luton, Lytham and Stoke on Trent to develop an anti-racism curriculum for primaries and develop teacher skills in embedding the arts across the curriculum. One Spirit expanded its provision to include working in PRUs with young people excluded from school and at risk of offending alongside mentoring young people in custody and on release. The Saturday Programme continued to increase its numbers and celebrated the 10th Anniversary of the Julian Joseph Jazz Academy, started a new orchestra combining two groups and performed its commissioned opera The World Was All Before Them about how families came to Hackney.

Participants	1,884
Artists	112
Audience	4,438
Mentoring	1,052
Group sessions	1,200
Workshops	134
Lessons	2,940
Performances	58
Schools	46

d. Fundraising activities and income generation

Most income has come from Grant applications and from income generation in the form of fees for the Saturday Programme, ticket sales for the Jina and the STEM Sisters tour and for community and in-school project activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

a. Going concern

During the year the charitable Company received donations and grants of £257,955, income from charitable activities of £239,457 and income from investments of £182. Total income amounted to £497,594.

Expenditure incurred totalled £540,877, of which £526,293 related to charitable activities.

Net expenditure for the year amounted to £43,283 and the total funds carried forward at 31 August 2023 were £130,460.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The trustees' objective is to achieve a 3 month of running costs in unrestricted reserves each year. We have made a significant increase in unrestricted reserves since last year more than doubling from £14,261 to £57,661 which brings our reserves up to pre-Covid levels for the first time since then.

c. Principal risks and uncertainties

The trustees and staff maintain a register of Risks and Mitigation sorted by business area. These include Finance and Fundraising, Human Resources, Stakeholder Management, Communications and PR, Management and Governance, Operations and Safeguarding. Sub-committees of the Board of Trustees monitor performance and others are created on an ad-hoc basis when required.

d. Financial risk management objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Charity's activities expose it primarily to the financial risks of changes in interest rates.

Credit risk

The Charity's principal financial assets are bank balances and other debtors.

The Charity's credit risk is primarily attributable to its other debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

e. Principal funding

Arts Council England
Ogden Trust
Paul Hamlyn Foundation
Masonic Charitable Foundation
Postcode Community Trust
D'Oyly Carte Charitable Trust
Bridge Academy
Hackney Council
Young Londoner's Fund
New Deal for Young People
Charles Hayward Foundation
Henry Smith Charitable Trust
Youth Music

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 22 April 2024 and signed on their behalf by:

Michele Pullan

.....
Michele Margaret Pullan
Chair

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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Independent examiner's report to the Trustees of HMDT Music ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the Trustees of the Company (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 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 the Company'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


Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 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.

This report is made solely to the Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work or for this report.

Signed: 

Dated: 22 April 2024

Reema Mistry, ACA

Griffin Stone Moscrop & Co

Chartered Accountants

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	97,917	160,038	257,955	347,399
Charitable activities	5	227,096	12,361	239,457	267,118
Investments	6	182	-	182	5
Total income		325,195	172,399	497,594	614,522
Expenditure on:					
Raising funds	7	14,584	-	14,584	29,128
Charitable activities	8	268,071	258,222	526,293	511,192
Total expenditure		282,655	258,222	540,877	540,320
Net income/(expenditure)		42,540	(85,823)	(43,283)	74,202
Transfers between funds	18	860	(860)	-	-
Net movement in funds		43,400	(86,683)	(43,283)	74,202
Reconciliation of funds:					
Total funds brought forward		14,261	159,482	173,743	99,541
Net movement in funds		43,400	(86,683)	(43,283)	74,202
Total funds carried forward		57,661	72,799	130,460	173,743

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 13 to 30 form part of these financial statements.

HMDT MUSIC
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REGISTERED NUMBER: 03118155

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	2,863	4,436
		<u>2,863</u>	<u>4,436</u>
Current assets			
Stocks	14	246	673
Debtors	15	20,284	25,045
Cash at bank and in hand		137,566	160,803
		<u>158,096</u>	<u>186,521</u>
Creditors: amounts falling due within one year	16	(30,499)	(17,214)
Net current assets		<u>127,597</u>	<u>169,307</u>
Total assets less current liabilities		<u>130,460</u>	<u>173,743</u>
Total net assets		<u><u>130,460</u></u>	<u><u>173,743</u></u>
Charity funds			
Restricted funds	18	72,799	159,482
Unrestricted funds	18	57,661	14,261
Total funds		<u><u>130,460</u></u>	<u><u>173,743</u></u>

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BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The Company 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 Trustees 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 Trustees on 22 April 2024 and signed on their behalf by:

Michele Pullan
.....
Michele Margaret Pullan
Chair

The notes on pages 13 to 30 form part of these financial statements.

HMDT MUSIC
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

HMDT Music is a charity limited by guarantee and consequently does not have share capital, registered in England and Wales. Its registered office address is shown on the company information page. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

HMDT Music 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.

2.2 Going concern

The coronavirus pandemic has significantly disrupted individuals' personal lives and businesses' economic prospects in the UK and across the globe. There has been a significant effect of COVID-19 on the charitable company. The trustees have overseen the conservation of sufficient cash to ensure the charitable company has continued to serve beneficiaries and customers, and to act responsibly with suppliers.

The trustees have continued to prepare the financial statements on a going concern basis and deem this appropriate. The trustees do not consider that a material uncertainty about the going concern status exists. In making this assessment the trustees have considered the likely operating and trading conditions for a period of twelve months from the date of approving these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.3 Income

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

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.5 Expenditure

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. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on the following basis:

The Saturday Programme - 69.00% (2022 - 50.00%)
In School Projects - 18.00% (2022 - 30.00%)
Community Projects - 13.00% (2022 - 20.00%)

Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. Accounting policies (continued)

2.6 Interest receivable

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

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on the following bases:

Fixtures and fittings	-	33% straight line
Office equipment	-	25% reducing balance
Computer equipment	-	25% straight line

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 Company 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 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company 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.

2.13 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.15 Pensions

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. However, there are no judgements or assumptions that have a significant risk of causing material adjustment.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	1,427	-	1,427
Grants	94,600	160,038	254,638
Government grants	1,890	-	1,890
	<u>97,917</u>	<u>160,038</u>	<u>257,955</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	515	-	515
Grants	44,875	299,259	344,134
Government grants	2,750	-	2,750
	<u>48,140</u>	<u>299,259</u>	<u>347,399</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
The Saturday Programme	164,117	218	164,335
In School Projects	31,979	12,108	44,087
Community Projects	31,000	35	31,035
	<u>227,096</u>	<u>12,361</u>	<u>239,457</u>

	Unrestricted funds 2022 £	Total funds 2022 £
The Saturday Programme	194,745	194,745
In School Projects	72,126	72,126
Community Projects	247	247
	<u>267,118</u>	<u>267,118</u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	<u>182</u>	<u>182</u>	<u>5</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Wages and salaries	12,800	12,800	26,297
Social security costs	1,530	1,530	2,214
Contribution to defined contribution pension schemes	254	254	617
	<u>14,584</u>	<u>14,584</u>	<u>29,128</u>

Costs of raising voluntary income relate to staff costs which are allocated on the basis of time each member of staff contributes to raising funds which includes grant applications.

There were no restricted costs of raising voluntary income in the year ended 31 August 2022.

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
The Saturday Programme	229,114	28,519	257,633
In School Projects	28,905	72,186	101,091
Community Projects	10,052	157,517	167,569
	<u>268,071</u>	<u>258,222</u>	<u>526,293</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
The Saturday Programme	224,157	37,685	261,842
In School Projects	38,366	78,139	116,505
Community Projects	11,982	120,863	132,845
	<u>274,505</u>	<u>236,687</u>	<u>511,192</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
The Saturday Programme	147,888	109,745	257,633
In School Projects	60,008	41,083	101,091
Community Projects	97,449	70,120	167,569
	<u>305,345</u>	<u>220,948</u>	<u>526,293</u>

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
The Saturday Programme	162,293	99,549	261,842
In School Projects	45,580	70,926	116,506
Community Projects	81,984	50,860	132,844
	<u>289,857</u>	<u>221,335</u>	<u>511,192</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	The Saturday Programme 2023 £	In School Projects 2023 £	Community Projects 2023 £	Total funds 2023 £
Depreciation	2,432	-	-	2,432
Project costs	145,456	60,008	97,449	302,913
	<u>147,888</u>	<u>60,008</u>	<u>97,449</u>	<u>305,345</u>

	The Saturday Programme 2022 £	In School Projects 2022 £	Community Projects 2022 £	Total funds 2022 £
Depreciation	2,217	-	-	2,217
Project costs	160,076	45,580	81,984	287,640
	<u>162,293</u>	<u>45,580</u>	<u>81,984</u>	<u>289,857</u>

Analysis of support costs

	The Saturday Programme 2023 £	In School Projects 2023 £	Community Projects 2023 £	Total funds 2023 £
Staff costs	44,991	22,070	48,852	115,913
Governance costs	12,695	3,312	2,392	18,399
Finance costs	1,785	328	237	2,350
Information technology	8,263	1,785	2,261	12,309
Administration costs	11,143	2,698	3,561	17,402
Premises costs	24,681	1,521	834	27,036
Other support costs	6,187	9,369	11,983	27,539
	<u>109,745</u>	<u>41,083</u>	<u>70,120</u>	<u>220,948</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	The Saturday Programme 2022 £	In School Projects 2022 £	Community Projects 2022 £	Total funds 2022 £
Staff costs	54,652	46,417	32,062	133,131
Governance costs	5,353	2,002	2,158	9,513
Finance costs	1,160	672	447	2,279
Information technology	4,376	5,631	1,031	11,038
Administration costs	4,159	2,171	4,134	10,464
Premises costs	20,526	1,069	1,459	23,054
Other support costs	9,323	12,964	9,569	31,856
	<u>99,549</u>	<u>70,926</u>	<u>50,860</u>	<u>221,335</u>

10. Independent examiner's remuneration

	2023 £	2022 £
Fees payable to the Company's independent examiner for the independent examination of the Company's annual accounts	7,750	6,605
Fees payable to the Company's independent examiner in respect of: All other services not included above	10,501	1,860

11. Staff costs

	2023 £	2022 £
Wages and salaries	119,917	147,133
Social security costs	8,171	12,111
Contribution to defined contribution pension schemes	2,409	3,015
	<u>130,497</u>	<u>162,259</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Staff costs (continued)

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

	2023	2022
	No.	No.
Charitable activities	3	3

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1

Key management personnel of the charity consists solely of the Chief executive officer. The total amount of employee benefits paid to key management personnel was £69,917 (2022 - £78,823).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

13. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2022	11,861	1,050	31,005	43,916
Additions	-	-	859	859
Disposals	(11,861)	-	(6,666)	(18,527)
At 31 August 2023	-	1,050	25,198	26,248
Depreciation				
At 1 September 2022	11,861	1,050	26,569	39,480
Charge for the year	-	-	2,432	2,432
On disposals	(11,861)	-	(6,666)	(18,527)
At 31 August 2023	-	1,050	22,335	23,385
Net book value				
At 31 August 2023	-	-	2,863	2,863
At 31 August 2022	-	-	4,436	4,436

14. Stocks

	2023 £	2022 £
Instruments and books	246	673

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Debtors

	2023	2022
	£	£
Due within one year		
Trade debtors	10,426	21,017
Other debtors	2,564	1,278
Prepayments and accrued income	7,294	-
Grants receivable	-	2,750
	<u>20,284</u>	<u>25,045</u>

16. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	8,620	2,042
Other taxation and social security	2,048	5,464
Other creditors	9,309	1,314
Accruals	10,522	8,394
	<u>30,499</u>	<u>17,214</u>

17. Financial instruments

	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>137,566</u>	<u>160,803</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2023 £
Unrestricted funds					
General funds	14,261	325,195	(282,655)	860	57,661
Restricted funds					
One Spirit	90,241	113,063	(171,366)	-	31,938
Music Tree House	22,049	8,464	(28,519)	-	1,994
STEM Sisters	-	19,583	(19,583)	-	-
HMDT Music Trust Account	3,280	254	-	(860)	2,674
The E Project	43,912	31,035	(38,754)	-	36,193
	159,482	172,399	(258,222)	(860)	72,799
Total of funds	173,743	497,594	(540,877)	-	130,460

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
General funds	2,631	315,263	(303,633)	14,261
	<u>2,631</u>	<u>315,263</u>	<u>(303,633)</u>	<u>14,261</u>
Restricted funds				
One Spirit	62,839	148,265	(120,863)	90,241
Music Tree House	30,156	28,500	(36,607)	22,049
STEM Sisters	-	36,050	(36,050)	-
The Julian Joseph Jazz Academy	635	444	(1,079)	-
HMDT Music Trust Account	3,280	-	-	3,280
The E Project	-	86,000	(42,088)	43,912
	<u>96,910</u>	<u>299,259</u>	<u>(236,687)</u>	<u>159,482</u>
	<u>96,910</u>	<u>299,259</u>	<u>(236,687)</u>	<u>159,482</u>
Total of funds	<u>99,541</u>	<u>614,522</u>	<u>(540,320)</u>	<u>173,743</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

General funds

The general funds represent the Company's free reserves.

One Spirit

Music projects for young offenders in HMYOIs and on release and young people at risk of criminal activity in PRUs.

Music Treehouse

A programme providing one to one support for students with a variety of SEN/D needs as part of the mainstream Saturday Programme, as well as a more specialised programme for students with more profound needs.

STEM Sisters

A programme drawing together a science outreach project and theatrical performance to inspire and engage Primary School students, especially girls, in science by exploring the achievements, contributions and impact of historical STEM women, whose pioneering work was so often unrecognised.

The Julian Joseph Jazz Academy

A Jazz academy for students aged 11-24 which focuses upon advanced jazz training using the American roots of jazz.

HMDT Music Trust Account

Funds held on behalf of our partners, designated for periodic payments for projects, or for payment directly to artists on behalf of partners on an as needed basis. During the year a partner permitted the transfer of £860 from this fund to unrestricted funds.

The E Project

A project which involves working with primary schools in Luton, Stoke-on-Trent, Fylde and Hackney for 3 years to develop an arts-embedded curriculum focused on anti-racism, diversity, inclusion and equity.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2023 £
General funds	14,261	325,195	(282,655)	860	57,661
Restricted funds	159,482	172,399	(258,222)	(860)	72,799
	<u>173,743</u>	<u>497,594</u>	<u>(540,877)</u>	<u>-</u>	<u>130,460</u>

Summary of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
General funds	2,631	315,263	(303,633)	14,261
Restricted funds	96,910	299,259	(236,687)	159,482
	<u>99,541</u>	<u>614,522</u>	<u>(540,320)</u>	<u>173,743</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	2,863	-	2,863
Current assets	74,183	83,913	158,096
Creditors due within one year	(19,385)	(11,114)	(30,499)
Total	<u>57,661</u>	<u>72,799</u>	<u>130,460</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	4,436	-	4,436
Current assets	22,121	164,400	186,521
Creditors due within one year	(12,296)	(4,918)	(17,214)
Total	<u>14,261</u>	<u>159,482</u>	<u>173,743</u>

21. Pension commitments

The group 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 group to the fund and amounted to £2,412 (2022 - £3,015). Contributions totalling £462 (2022 - £635) remained outstanding at the balance sheet date.

22. Related party transactions

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 August 2023.





HMDT music

ENSURING A MUSICAL FUTURE

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