

Company Registration No: 06226749 (England and Wales)
Registered Charity No: 1119372

UK MUSIC MASTERS LTD
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

**UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

The trustees are also the statutory directors of the company for the purposes of company law. The trustees who served during the period were:

Simon Freakley - Chairman
V S H Robey OBE– Founder Director
A Carrington
J Nickson
P Keller
T Hull
P Thomas
E Vaizey
S Bunting
J Joseph
M Kofokasumu – Treasurer
S Berryman (appointed 23.10.2020)
G Kanneh (appointed 22.03.2021)
S Mason (appointed 22.03.2021)

Key management

Roz De Vile -Chief Executive Officer
Anne Fleming -Finance Director
Will Harriss -Development Director
Dafydd Evans – Senior Learning Manager

Charity number

1119372

Company number

06226749

Registered office

125 Kennington Road
London SE11 6SF

Auditor

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent, BR6 0NZ

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME1

**UK MUSIC MASTERS LTD.
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**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

As we emerge from this challenging pandemic period, it is with pride and admiration that I reflect back on UK Music Masters Ltd (Music Masters') year. Despite a difficult financial scenario and an uncertain landscape in which to deliver our work, the team has never been stronger and more committed to its mission to give children, regardless of background or start in life, better chances through access to an outstanding music education.

In September 2020, alongside a change of leadership as Roz De Vile stepped up as CEO, we unveiled our rebrand and name change to UK Music Masters Ltd. Dropping 'London' from our name reflects our ambition to increase our impact across the UK, drawing from our experience and learnings over 13 years of working with schools in underserved London communities to reach many more thousands of children who deserve the chance to thrive through an excellent music education.

Our five London partner schools remain a crucial and central part of our work. Despite a period of school closure due to the impact of Covid-19, across 2020-21 we continued to teach 1,000 children each week, ensuring consistency of learning for our young musicians. While restrictions prevented us from delivering all planned creative and performance opportunities we found new and innovative ways to host performances and bring musical inspiration to our classrooms, supported by our Ambassadors and Creative Partners. We also took the opportunity to learn from and promote the voices of our young musicians whenever we could, reflected in this quote from 18-year old Music Masters graduate Emily in a discussion with peers around their own ambassadorial credentials:

'As an Ambassador now, I want to ensure that my professional career has a focus on reaching out through outreach programmes as Music Masters gave to me, because having that experience first-hand has really made me want to give back and do the same.'

At a time when musicians' livelihoods were being decimated by the impact of Covid-19, we took the decision to fully fund places for the second year of our PGCEi course in Group Instrument Learning and switch to an online approach. By removing the financial and geographical barriers to accessing our course, we have been able to attract the most talented, committed teaching musicians working across the UK, individuals capable of helping us drive a transformation of national music teaching standards. All 22 student teachers not only passed with flying colours, but brought richness to our course through their own diverse experiences of teaching in communities around the UK.

Last year, we supported 60 music sector organisations to participate in our diversity and inclusion audit tool I'M IN – the Inclusive Music Index. Organisations represented the breadth of the music sector, including orchestras, choirs, Music Education Hubs, record labels, venues, festivals, charities, publishers, schools, artist management agencies and more, serving a combined audience of over 1 million people across the UK and beyond.

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**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021 (continued)**

Over the past 12 months we have witnessed more clearly than ever before the power music has to comfort, connect and support. In unprecedented circumstances, Music Masters has further enhanced its well-established reputation for expertise in delivering excellent, impactful and inclusive music education, provision of opportunity for young people and its commitment to driving systemic change. In this time, I have never appreciated more the support of our committed and resourceful teachers, loyal donors, creative and energetic office team, school leadership teams and our excellent Board of Trustees. Finally, my sincere thanks go to Victoria Robey OBE, whose extraordinary vision we feel we are now beginning to realise.

DocuSigned by:

Simon Freakley

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Simon Freakley

Chairman

UK Music Masters Ltd.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements for the year ended 31 August 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published on 16 July 2017 as amended by Bulletin 1.

Objectives and activities

Our objectives

To advance education for the public benefit through the promotion, support and encouragement of the art of music in all its forms and in particular the promotion, encouragement and appreciation of the violin. Secondly to promote any other charitable object for the public benefit.

In planning the activities of the charity, the trustees have given due regard to the Charity Commission's guidance on public benefit and, in particular, the specific guidance for fee charging charities. As mentioned above, the trustees believe that the activities of the charity in the year confirm its ability to provide current and on-going benefit to the public.

Our activities

Our work is focussed on long-term interventions that create systemic change. Through all that we do, we aim to transform children's initial musical sparks into flames which burn brightly throughout their lives, wherever they go, and whatever they do. We do this through:

- Schools Programme Placing ourselves at the heart of state primary schools in underserved communities to deliver inspiring instrumental and musicianship teaching, whilst listening to and learning from the children, their families and school staff with whom we work to understand the important and multi-faceted role that music can play to improve lives. This is through our Schools Programme and, within it, our work with our Ambassadors and Creative Partners.
- Teacher Training Delivering and championing exceptional music teaching that reaches, inspires and motivates children from any and every background. This is through our teacher training focus which runs through our Schools Programme and our PGCEi in Group Instrument Learning.
- Diversity and Inclusion Challenging and supporting the music sector to understand and address areas for improvement in becoming more diverse and inclusive, enabling talented, diverse young musicians – just like those with whom we work every day – to pursue a future with music in their lives. Inclusion is a driver for all our work, but we support sector organisations through resources such as our Inclusive Music Index audit tool, I'M IN.

Music Masters Schools Programme

We believe that music belongs to everyone in society and that excellent music making should be at the heart of our local communities. Since 2008, our Schools Programme has brought musicianship, violin and cello teaching of the highest quality into inner-London primary schools situated in areas

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

of financial deprivation. We work closely with schools and families to understand the challenges faced within their communities and in education settings. Currently catering for hundreds of children across five schools, we work with every child in the school during their first three years at primary school, providing each one with their own instrument and up to three lessons a week in small groups and ensembles. As the children grow, our programme grows and changes with them in response to their potential. Over the years we have supported numerous children to gain music scholarships to music-focussed state and private secondary schools, and – through our Pathways programme, which provides additional tuition and opportunities to ambitious, promising children from backgrounds underrepresented in classical music – created a route through which a professional career in the sector can be pursued.

We know that an excellent music education requires more than great music lessons, and we work with our young people, teachers, schools, creative partners and ambassadors to design and deliver a wide range of creative workshop, ensemble and performance events and opportunities across art forms, genres and approaches. We actively commission new musical works from diverse composers to breathe new life into the learner repertoire, and are proud to have a strong collective of musical ambassadors whose partnership and support of our work shone particularly brightly in 2020-21. We remain committed to supporting emerging artists to become better musicians through providing opportunities to develop their artistry and reach new audiences through our school communities, and are delighted that these emerging artists now include some of our own graduates as they make their way into higher education to study music at conservatoire level.

Teacher Training

Over the past 13 years, a hallmark of Music Masters' Schools Programme has been its high standard of teaching, driven by our strong focus on teacher training and leadership development for the teachers with whom we work. But beyond our own Schools Programme we know that a confidence crisis exists within music teaching on a national scale due to a lack of training opportunities for music teachers, and the low value placed both on the music teaching profession and on music as a subject in schools. This has resulted in a severe patchiness of provision across the UK, with so many children missing out on the chance to experience life-enhancing musical opportunity. In response to this issue, in 2019 we launched our PGCEi (international PGCE) course in Group Instrument Learning, through which we seek to find and train the most committed, promising and ambitious teaching musicians across the UK - those who can make a real difference to the music education landscape. This course runs in partnership with Birmingham City University and is the first postgraduate-level qualification in the UK designed for musicians teaching groups, which is the most commonly-seen approach to instrumental teaching in state primary schools.

Diversity & Inclusion

As part of our mission to keep children's musical flames alight, we address barriers to access and opportunity that could dampen these musical flames. Barriers to music are present in so many forms – including (but not limited to) racial biases, physical disability and lack of financial means. Inclusion is at the heart of Music Masters' work, guiding all that we are and do, and as such we work hard with our teachers, partners and schools to ensure that our programmes are as accessible, relevant and inspiring as possible. We want young musicians from all backgrounds – such as those our charity works with every day – to inherit a stronger, more creative musical future, and - for those who wish to pursue a career in music - the opportunity to enter a sector that genuinely welcomes and nurtures diverse talent. I'M IN - our Inclusive Music Index was created to support this and launched in trial form in July 2020, with significant progress this year, as you'll read in the Strategic Report section below.

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FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

Objectives for FY 2020-21

The main objectives of the charity are summarised in our Strategic Plan: 'Excellence for Everyone' (2018-2022), and cascade from the following aims:

1. Establishing our network of Partner Schools as the leading example of excellent, sustainable, integrated music education for state maintained primary schools
2. Creating the UK's first national teacher training programme for group instrumental tuition in primary schools
3. Building a cohort of leading artists as both advocates for music education and mentors for student musicians
4. Advocating for practical, systemic change within the industry for Diversity & Inclusion and for music education
5. Establishing new, long-term, predictable income streams for Music Masters

We remain as committed as ever to achieving our aims. In light of the Covid-19 pandemic, we have carefully reviewed our strategy and in some instances, our short-term objectives have changed, as have the ways in which we achieve our strategic aims. To ensure we remained alert and agile to the ongoing impact of the pandemic, our full administrative team met every six weeks throughout 2020-21 to review and refine objectives, using a coaching approach to gently challenge, support and motivate colleagues to consider the ongoing relevance of objectives and how realistic they were. This undoubtedly resulted in higher levels of motivation and accomplishment.

Strategic Report

Achievements and Performance

Partner Schools (strategic aim 1)

September 2020 began successfully with a return to on-site delivery in all five of our schools, thanks to the support of our Partner Schools to ensure that teaching could be delivered safely and effectively. Over the year, despite the ongoing impact of Covid-19 on schools' closures and restrictions, our teachers delivered lessons to 1,000 children across our partner schools through a regular weekly schedule, switching to our online music school (developed in early 2020) during the period of school closure in spring 2021, and working to a hybrid approach of online and in-school for key worker children and when bubbles of children were at home self-isolating. However, restrictions in schools did not allow us to run orchestras during the year as this would involve mixing bubbles, and we look forward to a return to orchestral and ensemble playing in 2021-22.

In light of Covid-19 restrictions, we continued to adapt the delivery of creative projects in 2020-2021. We launched a new Meet the Artists series in partnership with YCAT (the Young Classical Artists Trust), bringing excellent musicians into our classrooms through Zoom, inspiring our students and challenging our artists on how to deliver in this way. We involved all 220 Year 4 students in classroom-based and instrumental lesson workshops as part of a project with composer and Music Masters Ambassadors Daniel Kidane, in partnership with the British Film Institute, resulting in a co-created musical work set to animated film, entitled *At Once We Train*, which was premiered during our Christmas 2020 Big Give online campaign event, *A Christmas Journey*.

While opportunities to perform to an audience were limited, we were delighted to bring our students and schools together to record our Winter and Summer concerts, with around 750 participants

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garnering nearly 4,000 online views in total. In January, lockdown came into place and we resumed our live-streamed musical series Friday Live! (originally launched in 2019-20) as a series of creative online workshops run exclusively for our students and families via Zoom, led by our teaching team. And when schools re-opened in spring after lockdown, we reverted to live delivery to run Creative Composition Workshops for all 220 Year 3 students across our schools. These curriculum-inspired workshops encouraged our students to get creative with music, both on and off their instruments, and provide a bit of musical magic to the school environment.

In 2021-22, five talented instrumentalists joined our Pathways programme and – together with the rest of the Pathways cohort from across our schools - joined Randall Goosby, our resident Robey Artist (in partnership with the Young Classical Artists Trust) for a brand-new online initiative called Randall Goosby's Studio Class, a 5-month long series of group and individual lessons. This culminated in a fantastic studio recital at Wigmore Hall in May, in which all Pathways students performed on stage, live-streamed to a remote audience of parents and families.

The Schools Programme teaching team's training and development in 2020-21 focussed in on three core areas: Inclusive practices via Youth Voice, developing Diverse Repertoire in the classroom and Parent Engagement. September 2020 kicked off with teacher training in Youth Voice where teachers were able to workshop techniques to listen to and collaborate with their students' ideas, putting these directly into practice with the planning of Winter Concerts. Teachers also developed parent engagement strategies in response to restrictions on parent attendance at lessons, honing effective communications with parents through emails, video tutorials and zoom meetings in face of these challenges. We ran practical sessions on diversifying teaching repertoire and looking at the impact of class and inequality in music education, resulting in significant steps forward. As a full administrative and teaching team we researched and compiled an online journal resource of black composers, and our KS2 Musicianship programme piloted an Iranian music project called the Phoenix of Persia, developed in collaboration with City University for Year 4 and Year 6 children and their class teachers. In addition, two of our string teachers collaborated with Klezmer specialist Ilana Cravitz from January to develop new string repertoire for Year 5 and Year 6 children.

The teaching team also benefitted through observations from ESTA (European String Teachers Association) teaching mentor Helen Dromey.

National Teacher Training Programme (strategic aim 2)

2020-21 marked the second year of running our PGCEi course in partnership with Birmingham City University. When the pandemic started, we took the decision to fully fund course places for 2020-21 to ensure no barriers to access, particularly at a very challenging time for many music professionals' livelihoods. From a shortlist of 40, we recruited a cohort of 22 teaching musicians clearly dedicated to making a difference, from right across the UK including Scotland, Manchester and Liverpool, in partnership with the Royal Liverpool Philharmonic's community music programme, In Harmony Liverpool.

Having trialled an online approach to delivery for our first cohort, we took the decision to plan for a fully-online year, with in-person observation and mentoring opportunities where possible. Despite some early concern around how an online-only approach would impact on course outcomes, we started and ended the year with all 22 students. Students from this year's cohort have recently taken up "Musician in Residence" and leadership roles in Gloucestershire and Scotland, respectively.

Across the year, lectures were delivered by Music Masters tutors on topics including Behaviour Management, Motivation, Planning, Creativity and Language, and respected Birmingham City

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University tutors Anthony Anderson, Louise Khalid and Gary Spruce on topics including Musical Learning and Knowledge, Progression Development and Curriculum, and Teaching Standards. Guest lecturers included Anna Bull and Helen Dromey on Class and Music Education, and Eleanor Ryan and Mahaliah Edwards on Race and Music Education and Diversifying Repertoire, respectively. Steven Berryman (Director of Arts, Culture and Community for the Odyssey Trust for Education) and Emily Crowhurst (Head of 4-18 Music and Performing Arts, School 21) delivered lectures on Curriculum, including an exploration of the new Model Music Curriculum, and Julie Johnson hosted sessions on Safeguarding and Wellbeing. Practical sessions were delivered by guest organisations including Drake Music, Colourstrings UK, Awards for Young Musicians and Benedetti Foundation, and the cohort enjoyed an online twilight Q&A with our Teacher Training Ambassador, Nicola Benedetti.

We also created an Advisory Group for the course from experts across the UK, including – for the first time ever – our own Champions (graduates) who have extremely credible experience of how teaching can impact young people's musical journeys.

Across our 2019-20 and 2020-21 cohorts, the estimated number of young people reached through our student teachers is 1,800.

Testimonials

In December, the course received a highly positive appraisal from Birmingham City University, including the following quotations:

"Engaging and stimulating online sessions facilitated by enthusiastic tutors. Clear expectations set from the programme and reinforced by tutors in relation to engagement, contribution and professionalism. Tutors modelled good practice for online teaching with a range of resources and activities used for teaching and the checking of learning through effective questioning techniques, breakout room discussion, group feedback and mentimeter....As a whole all students commented extremely positively on their experience so far, which included induction and teaching sessions with one student stating that they've never received a better online learning experience than what they've experienced to date with Music Masters. The students really enjoyed the online teaching sessions, which they felt were interactive and really supported their own practice through modelling"

Below are reflections from our 2020-21 student teacher evaluation:

'(The PGCEi) has made me realise that whilst I am teaching the violin, I am actually teaching the much wider subject of music. I don't think I realised the role I played within that before and was overly focussed on just learning how to play the instrument.'

'Through this course I've had the opportunity to deeply examine my values as a teacher, gain inspiration from other experienced teachers, as well as a better overview of the UK music education sector. The course also hugely impacted my approach to planning and assessment of my students.'

'It's been wonderfully refreshing to come together as a cohort and share ideas during a time where we might have otherwise felt isolated while teaching online. - I feel I have been able to deliver more creative experiences for my learners in online lessons as a result of my learning, research and observations. Our students have faced many challenges and difficulties this year. I feel that the

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course has helped me sensitively address and adapt to the needs of my learners while working online, but also upon resuming face to face lessons.'

Artists as Advocates and Mentors (strategic aim 3)

This year saw us work closely with many of our artists and ambassadors, both within our Schools Programme and PGCEi as already described, but also through a dedicated focus on the power of artists as advocates and change-makers. This was principally expressed through a livestream fundraising event in March entitled Ambassadors for Change. In this event we heard our ambassadors discussing the important role that music can play both in the lives of young people and more widely, and featured exclusive performances from our ambassadors including Harlem Quartet, Benjamin Grosvenor and Hyeyoon Park, Sheku and Isata Kanneh-Mason, Nicola Benedetti and an arrangement and performance of Donald Grant's Bha lá eile ann (There was a different day) by Tom Poster and Elena Urioste with fellow Music Masters ambassadors and students from our Schools Programme.

Ambassadors for Change gave Music Masters its highest-ever number of web visitors in a single month since the website launched, with 15,000 unique page views on the event page, and an increase in views across other pages of the website as new visitors explored the charity's work. The event was also hugely impactful on our social media platforms, resulting in a large number of new followers. More people viewed our tweets in March than in January, April and May combined. Benjamin Grosvenor was interviewed on Times Radio about Ambassadors for Change, which was also featured on The Times website.

Advocating for Change (strategic aim 4)

In autumn 2020, with sponsorship from AlixPartners and support from Included, we launched a trial version of our Inclusive Music Index, 'I'M IN', a unique diversity and inclusion audit tool for the music sector. Over 2020-21, we worked with over 60 organisations within the sector, including orchestras, music hubs, and schools, publishers, festivals, charities, professional bodies and higher education providers, including some of the UK's most well-known classical music organisations, impacting on a combined audience of more than 1 million people. This proves the tool's wide appeal in helping create positive change for the future.

In an evaluation completed by 35 participating organisations, immediate outputs and outcomes recorded included increased understanding of/confidence discussing D&I (which presented consistently as a serious barrier to D&I progress), whole-team unconscious bias training, changes to recruitment processes, and commitments to diversify governance and audiences. Of the evaluation respondents, 75% felt that I'M IN had raised new, previously undiscussed issues in relation to D&I. Furthermore, many organisations felt that I'M IN had uniquely created a safe, unpressured opportunity to come together for challenging but energising discussions as a wide, organisationally representative group.

I'M IN is just one way we support the music sector through our passion for inclusion. In our drive to make change, we remain committed to challenging, connecting and motivating our industry peers in all that we do, including through the powerful voices of our students, graduates and Ambassadors. More than ever before, 2020-21 showed us how essential the voices of our own participants were in advocating for change. This is apparent in a video in which a group of

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Champions (our Schools Programme graduates) came together to talk about the power of music, and their own self-assigned ambassadorial responsibilities. You can view this film, The Importance of Ambassadors – Music Masters Champions in Discussion, and others illustrating our work on our You Tube channel <https://www.youtube.com/c/musicmasters1>

Our Senior and Teaching team spoke on panels and symposia, and supported a range of organisations including exam boards, music education hubs and music services around the UK to consider new approaches to issues around music education and diversity and inclusion. Music Masters also appeared in the media several times across the year to advocate for this vital work, including interviews with Music Masters staff teachers Rachel Cooper and Rosanne Jacobs on BBC Radio 3 and BBC Radio London respectively to give tips to parents and carers about helping children learn music at home, and CEO Roz De Vile appearing on BBC Radio 3's In Tune programme with Sean Rafferty on how music could support young people post-pandemic, a response which was also featured in articles in Music Teacher Magazine and The Strad. In August, the latter publication also featured Roz's response to the threats to A-Level Music take-up.

Establishing New, Long-term Income Streams (strategic aim 5)

Aside from the financial challenges faced due to the pandemic, this is an aim that is continually under review and we continue to seek ways to diversify our fundraised income as well as developing sustainable income streams from our charitable activity through contributions from our partner schools and parents. We are always mindful when considering these income streams not to create financial barriers to participation from the under represented communities we seek to serve.

From the outset of the pandemic, we pivoted to delivering our fundraising activity mostly through online channels. We delivered an online Christmas event in December 2020; a fundraiser 'Ambassadors for Change' in February 2021, and followed this with an online summer campaign 'Pathways: Empowering Potential'. This activity has enabled us to connect with new supporters across the country, and test new ways of engaging with new donors. Alongside this, we are grateful for the continued support of existing supporters, whose faith in our vision for the future and our potential to bring about change in music education, is inspiring to us.

Financial Review

The results for the year are set out on page 20 of these financial statements. The deficit for the year was £11,345 (2020: £96,273 surplus), as set out in the financial statements. This is comprised of a surplus of £6,721 arising from unrestricted funding and a deficit of £18,060 from restricted funding (2020: surplus of £15,769 related to activity funded by restricted income). The balance of restricted funds held, £11,842, will be utilised in the year to 31 August 2022. Total income was £1,078,729 (2020: £1,165,137) and total expenditure was £1,090,074 (2020: £1,068,864).

Ongoing COVID-19 restrictions during the year had an impact on both fundraising activity and charitable activity particularly with respect to our Schools Programme where ensemble and other group work was not possible as these would have involved mixing of year group bubbles. However, the majority of our planned activities did take place – in person when possible and online when restrictions did not permit in person activity. No staff were furloughed during the pandemic.

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Reserves

Music Masters' reserves policy is as follows:

- The policy of the trustees is to maintain a level of reserves that will provide a stable base from which to fund the charity's future activity whilst ensuring that excessive funds are not accumulated.
- Specifically, the trustees have set a target range for general reserves of £230,000 to £250,000 (2020: £230,000-£250,000), which the trustees estimate is sufficient to meet the charity's legal commitments should it be required to shut down due to lack of available funds. The range is also reviewed in the context of the following year's running costs.
- General reserves at 31 August 2021 totalled: £245,560 (2020: £380,551). Having considered the financial stability of the organisation, the trustees consider the level of reserves to be adequate.

Designated Funds

The trustees recognise that the effectiveness of the Schools Programme is heavily reliant on uninterrupted music tuition and therefore view it to be prudent to maintain a designated fund – the Learning Continuity Fund – to mitigate any fluctuations in funding. At 31 August 2021 the balance of this fund was £119,050 (2020: £136,919) and it is expected that this fund will be spent in its entirety in the year to 31 August 2022.

The trustees resolved to create a new designated fund – the Fixed Asset Fund – which represents the value of reserves invested in both tangible and intangible fixed assets and programme related investments (musical instruments). These assets are required for the use of the charity and its beneficiaries and these reserves are therefore not available for other purposes. At 31st August 2021 the balance of this fund was £183,383 (2020: nil), which is made up of a transfer of funds of £159,581 and a gain on revaluation of £23,802.

Funds held as Custodian Trustee on behalf of others

There are no such funds held (2020: nil).

Permanent endowment invested on a total return basis

There are no such investments (2020: nil).

Plans for Future Periods

In the fourth and final year of its strategic plan 'Excellence for Everyone' Music Masters intends to continue to make progress against the aims outlined on page 6.

2021-22 also involves a period of piloting, marketing research and an impact analysis of our programmes, before bringing together stakeholders and beneficiaries from across our organisation to build our new strategy. Our objectives for the year include:

- Building our PGCEi course with a greater emphasis on coaching and leadership skills, and opening up to a cohort of teachers of any instrument taught in a primary school context around the UK. Both of these developments are designed to ensure teachers from across UK communities can access the course, and have the leadership skills and drive to transform standards of music education.
- Creating partnerships with UK-wide organisations to widen our impact and use our expertise to support where we are most needed, including with the Royal Welsh College of Music.

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- Growing our graduate network through developing our CPD and support offer.
- Piloting in-course placements through new school and music hub / service partnerships around the UK to increase on-the-ground learning for our student teachers and understand the impact of the course on placement hosts (schools / hubs / services) and on PGCEi student pathways to impact on many more children around the UK.
- Strengthening and growing our schools programme through an increased focus on Youth Voice, building and fostering closer relationships with parents and carers further to work on this during the pandemic, and bringing together our senior leadership teams in Partner Schools to create an advocacy alliance to persuade and inspire schools across the UK to value music.
- Working closely with our ambassadors, including a new Robey Artist, Jordan Bak through our creative partnership with the Young Classical Artist Trust.
- Commissioning ten diverse composers as part of *Many Voices: Ensemble* – a collection of new music for learner and professional groups, to be co-created with children within our partner schools, in partnership with NMC Recordings.
- Launching our Inclusive Music Index diversity & inclusion tool I'M IN in its full form, including in a free and paid-for version to support and challenge music organisations to drive systemic change.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

UK Music Masters Ltd is a company limited by guarantee not having a share capital which is governed by its Memorandum and Articles of Association. It is a registered company number 6226749 and is also a registered charity in England and Wales, number 1119372.

The charity was incorporated on 25 April 2007 as The London International Violin Competition. The Members resolved by special resolution dated 15 January 2008 to change the name of the charity to London Music Masters and this was effected on 21 January 2008. The Memorandum and Articles of Association were further amended by special resolution on 21 May 2012, primarily in order to bring them up-to-date with current legislation and to raise the maximum number of trustees. The Members resolved by special resolution dated 13 August 2020 to change the name of the charity to UK Music Masters Ltd and this took effect from 1 September 2020.

Governance

The work of the organisation is overseen by the trustees who meet at regular intervals to provide strategic direction and to monitor and review the work of UK Music Masters. Potential trustees are considered by the Chairman and proposed to the other trustees before being elected by a simple majority of all the directors entitled to attend and vote at any meeting of the trustees. New trustees are given an induction by way of a one-to-one meeting with the Chief Executive and members of the senior leadership team accompanied by a pack of information, including the most recent set of accounts, trustee meeting notes, development committee notes and other relevant supplementary documents describing the charity's recent activities.

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Fundraising

Music Masters generates income from fundraising to support its work. It broadly focuses on three areas:

- Individual giving: this includes giving schemes that comply with Gift Aid regulations as set out by HMRC.
- Trusts and Foundations: Music Masters makes a range of applications to trusts and foundations in the UK and abroad, for both core (unrestricted) and project (restricted) funding.
- Corporate sponsorship: Music Masters engages with a number of corporate partners, whose funding supports a range of initiatives across the organisation.

The Trustees review fundraising activity at each Board meeting. Music Masters is registered with the Fundraising Regulator, and is bound by the Code of Fundraising Practice. The Code sets out the key principles of behaviour expected of all charitable fundraising organisations in the UK. More information about the regulator, and their role in monitoring fundraising standards, can be found on their website: www.fundraisingregulator.org.uk.

The charity did not receive any fundraising complaints in the year.

Fundraising complaints should, in the first instance, be directed to the Chief Executive of Music Masters, Roz De Vile, either by letter (Music Masters, 125 Kennington Road, London SE11 6SF) or by email (contact@musicmasters.org.uk). All complaints will be acknowledged within five working days, with a full reply within 21 days.

If this does not resolve the issue, then the complaint can be escalated to the Fundraising Regulator for further action. Music Masters is committed to ensuring that its fundraising activities protect the public, including any vulnerable people it works with, from unreasonably intrusive fundraising approaches. It will never apply undue pressure to donate. Where an individual has requested not to receive fundraising communications, this will be honoured, in line with the spirit of all relevant data protection legislation.

Music Masters will also comply with any requests from the Fundraising Preference Service for the removal of data subjects from its database.

Management

The day-to-day management of the charity is delegated to the Chief Executive Officer who is supported by senior leaders on the staff team.

The trustees are responsible for making strategic decisions relating to the scope and aims of the charity's work. They are also responsible for agreeing the annual budget, which is then overseen by the Chief Executive Officer with quarterly management accounts being presented to the Trustees. Any material overspends must be authorised by the trustees.

The charity also has a Development Committee, which does not have delegated governance powers but meets in an advisory capacity to discuss and refine the charity's fundraising strategy and progress.

In 2018/19 an Advisory Council was established with the aim of further strengthening the charity's network and providing additional perspectives to the management team. Additionally in 2019/20 a

UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

PGCEi specific Advisory Group and a Wales Advisory Group were established to support the management team with further developing these areas of our work.

Pay policy for senior staff

Senior staff in the year comprised the Chief Executive Officer, Development Director, Finance Director and Senior Learning Manager.

The pay of senior staff is reviewed annually and normally increased in accordance with inflation and average earnings for the sector.

No trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 16 to the accounts.

Risk Management

The trustees recognise their responsibility for the management of the risks faced by the charity. A risk register is updated quarterly and where there are material changes to perceived risks, reports are presented to the board and discussed in order to ensure that the trustees are made aware of any major risks the charity faces and review the adequacy of controls. Together with the executive the trustees consider risk in the following areas: finance, human resource, reputation, legal, safeguarding, disaster planning and strategically significant projects. Trustees provide a critical challenge to the Chief Executive Officer on all these areas of risk, advising on mitigation strategies as appropriate.

The significant new risk to the charity is the ongoing impact of Covid-19 which will continue to affect income (the short term effects on individual and institutional giving are still being understood, but we anticipate a challenging fundraising landscape) and operations (our work is mainly based in schools and public venues all of which remain at risk of short term closure in the event of further restrictions). Fundraising and operational plans have been reviewed and adapted where possible. The senior leadership team is extremely alert to this risk and is working closely with trustees to mitigate the effects. In addition, we maintain our awareness of pre-existing and emerging risks by maintaining a regular schedule of review for our risk registers at executive and trustee level.

Going Concern

The trustees recognise their responsibilities for assessing the charity's ability to continue as a going concern and have reviewed budgets, future plans, contingency plans for providing services to beneficiaries online in the event of Covid-19 restrictions impacting planned delivery and taken into consideration confirmed future funding. Contingency plans have also been drawn up in the event of lower than expected income. The trustees have concluded that the charity is a going concern and there are no material uncertainties relating to its going concern status.

UK MUSIC MASTERS LTD.
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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of UK Music Masters Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

Statement as to Disclosure of Information to Auditors

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

By order of the trustees

DocuSigned by:

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Simon Freakley
Chairman
Date 9 December 2021

UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the financial statements of UK Music Masters Ltd (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

UK MUSIC MASTERS LTD.
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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charitable company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited

Michelle Wilkes (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Statutory Auditor
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Date: 21 December 2021

UK MUSIC MASTERS LTD
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies	2	640,110	203,000	843,110	934,638
Charitable activities	3	235,504	-	235,504	229,951
Investments		115	-	115	548
Total income and endowments		875,729	203,000	1,078,729	1,165,137
Expenditure on:					
Raising funds		231,177	-	231,177	236,469
Charitable activities		637,831	221,066	858,897	832,395
Total expenditure	4	869,008	221,066	1,090,074	1,068,864
Net Income/(Expenditure)		6,721	(18,066)	(11,345)	96,273
Gain on revaluation of Programme Related Investments	6	23,802		23,802	-
Net movement in funds		30,523	(18,066)	12,457	96,273
Total funds brought forward 1 September 2020		517,470	29,908	547,378	451,105
Total funds carried forward 31 August 2021		547,993	11,842	559,835	547,378

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

UK MUSIC MASTERS LTD.
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STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

Comparative Information for the Statement of Financial Activities for year ended 31 August 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and endowments from:				
Donations and legacies	2	595,183	339,455	934,638
Charitable activities		229,951	-	229,951
Investments	3	548	-	548
Total income and endowments		825,682	339,455	1,165,137
Expenditure on:				
Raising funds		236,469	-	236,469
Charitable activities		508,279	323,686	832,395
Total expenditure	4	745,178	323,686	1,068,864
Net movement in funds		80,504	15,769	96,273
Total funds brought forward 1 September 2019		436,966	14,139	451,105
Total funds carried forward 31 August 2020		517,470	29,908	547,378

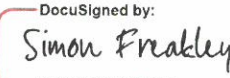
UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31 AUGUST 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Social investments	6		177,923		130,550
Tangible assets	7		3,771		4,893
Intangible assets	8		1,689		2,956
			<u>183,383</u>		<u>138,399</u>
Current assets					
Debtors	9	82,670		61,946	
Cash at bank and in hand		528,811		510,998	
		<u>611,481</u>		<u>572,944</u>	
Creditors: Amounts falling due within one year	10	235,029		163,965	
		<u>235,029</u>		<u>163,965</u>	
Net current assets			376,452		408,979
Total assets			<u>559,835</u>		<u>547,378</u>
Income funds					
General unrestricted funds	12		245,560		380,551
Designated funds	12		302,433		136,919
Restricted funds	13		11,842		29,908
	14		<u>559,835</u>		<u>547,378</u>

The notes on pages 24 to 34 form part of these financial statements.

The financial statements were approved by the trustees on 9 December 2021 and signed on their behalf

DocuSigned by:

D362236DA8F746F
Simon Freakley
Chairman

Company number 6226749 (England and Wales)

UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flow from operating activities	17	39,766	(23,035)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(1,536)	(5,139)
Payments to acquire social investments		(20,532)	(20,242)
Interest received		115	548
Net cash flow from investing activities		<u>(21,953)</u>	<u>(24,833)</u>
Net increase in cash and cash equivalents		17,813	(47,868)
Cash and cash equivalents at 1 September		510,998	558,866
Cash and cash equivalents at 31 August		<u><u>528,811</u></u>	<u><u>510,998</u></u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		145,730	203,019
Short term deposits		383,081	307,979
Cash and cash equivalents at 31 August		<u><u>528,811</u></u>	<u><u>510,998</u></u>

UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

1.1 Basis of preparation

UK Music Masters Ltd is a company limited by guarantee in the United Kingdom. In the event of the charitable company being wound up, the liability in respect to the guarantee is limited to £1 per member of the charitable company. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charitable company's operations and principal activities are set out on pages 4 and 5.

The charity constitutes a public benefit as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their account in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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.

1.2 Funds accounting

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds – these represent the balance of funds donated for specific purposes which remain unspent at the balance sheet date.

Designated funds – these are unrestricted funds which have been set aside by the Trustees for future purposes.

1.3 Income recognition

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income including donations and gifts is included in full in the SOFA when receivable. Income from charitable activities is matched to the timing of the activities. Investment income is recognised using the effective interest method.

1.4 Expenditure Recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds are those costs incurred in attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the

UK MUSIC MASTERS LTD.
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.5 Programme related investments

Programme related investments are social investments made directly in pursuit of the charity's charitable purposes. Musical instruments held as part of Music Masters Learning and loaned to pupils are held at the lower of replacement cost or the charity's own valuation. Their condition is assessed annually and full provision is made for any repairs or maintenance required.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The cost of minor additions below £500 is not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	-	33% straight line
Fixtures, fittings & equipment	-	33% straight line

1.7 Intangible fixed assets

Intangible fixed assets represent costs for the development database. Amortisation is provided at rates calculated to write off the cost less estimated residual value over their expected useful lives, as follows:

Databases	-	20% straight line
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1.8 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.9 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is therefore considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax services.

1.10 Accumulated funds

Unrestricted funds are donations and other incoming resources receivable for the objects of the charity without further specific use and are available as general funds.

Restricted funds are subject to specific conditions by donors as to how they may be used. Expenditure which meets these criteria is charged to the relevant fund.

1.11 Going concern

The trustees have considered the continuing impact of the COVID-19 virus on the future viability of the charitable company, the level of funds held and the expected level of income and expenditure for 12 months from authorisation of these financial statements. The budgeted income and expenditure is sufficient with the level of resources for the charitable company to be able to continue as a going concern.

UK MUSIC MASTERS LTD.
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

At the time of approving the financial statements the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.12 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Bad debt provision – bad debts are provided for specific debts when required and an estimate of unrecoverable debts may be made if deemed necessary

Social investments – social investments are included at the lower of replacement cost or valuation.

There are no other key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations and legacies	611,639	190,500	802,139	887,879
Gift aid recoverable	28,471	12,500	40,971	46,759
	<u>640,110</u>	<u>203,000</u>	<u>843,110</u>	<u>934,638</u>

3 Income from Charitable activities

Schools Programme	<u>235,504</u>	<u>-</u>	<u>235,504</u>	<u>229,951</u>
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UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

4	Expenditure				
		Direct Costs £	Support Costs £	Total 2021 £	Total 2020 £
	Charitable expenditure				
	Raising funds	184,361	46,816	231,177	236,469
	Charitable activities	706,746	152,151	858,897	832,395
		<u>891,107</u>	<u>198,967</u>	<u>1,090,074</u>	<u>1,068,864</u>
	Direct Costs – Raising Funds				
	Advertising & marketing			10,646	14,111
	Event expenses			9,656	25,947
	Fundraising expenses			5,942	7,799
	Fundraising expenses – staff costs			158,117	148,784
				<u>184,361</u>	<u>196,641</u>
	Direct Costs – Charitable Activities				
	Project costs			393,926	381,612
	Staff costs			312,820	291,472
				<u>706,746</u>	<u>673,084</u>
	Support Costs				
	Staff costs			144,118	137,408
	Rent and rates			17,340	21,346
	Training			2,466	968
	Office costs			9,825	17,488
	Insurance			3,054	2,784
	IT support			2,154	3,507
	Equipment maintenance			1,940	2,017
	Accountancy and payroll services			600	360
	Travel expenses			293	1,120
	Bank charges			253	205
	Depreciation			2,658	1,829
	Amortisation			1,267	1,266
	Loss on sale of social investments			1,492	767
	Governance Costs -Legal fees			4,647	559
	Governance costs – Auditors’ fee			6,260	6,120
	Governance costs - other			600	1,395
				<u>198,967</u>	<u>199,139</u>

UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

5 Employees

Number of employees

The average monthly head count of employees (excluding trustees) during the year was 13.1 (2020: 12.3) and the average monthly number of full-time equivalent employees (including part-time staff) during the year were as follows:

	2021 Number	2020 Number
Music Masters Learning	6	6
Development	4	4
Governance and administration	3	3
	<u>13</u>	<u>13</u>
	Total 2021 £	Total 2020 £
Staff costs		
Wages and salaries	543,196	500,375
Tax and social security costs	38,959	49,387
Pension contributions	21,170	19,570
	<u>603,325</u>	<u>569,332</u>
Other staff costs	11,730	8,332
Total staff costs	<u>615,055</u>	<u>577,664</u>

No employees were paid more than £60,000 in the year (2020: none).

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2020: none). Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The charity trustees were not paid nor did they receive any other benefits from employment with the charity in the year (2020: none).

The total remuneration paid to key management, including employers' national insurance and pension contributions was £203,093 (2020: £197,579). The charity considers its key management personnel to comprise those individuals listed on page 1.

UK MUSIC MASTERS LTD.
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

6 Social Investments

The charity loans instruments to pupils as part of Music Masters Learning activities.

	Total 2021	Total 2020
	£	£
Value brought forward at 1 September 2020	130,550	116,325
Additions in the year at cost	20,532	20,242
Disposals in the year at cost	(2,001)	(977)
Revaluation	23,802	-
Provision for Impairment	5,040	(5,040)
Value carried forward at 31 August 2021	<u>177,923</u>	<u>130,550</u>

7 Tangible Fixed Assets

	Fixtures, Fittings & Equipment	Computer Equipment	Total
	£	£	£
Cost			
As at 1 September 2020	4,393	15,018	19,411
Additions	-	1,536	1,536
At 31 August 2021	<u>4,393</u>	<u>16,554</u>	<u>20,947</u>
Depreciation			
As at 1 September 2020	3,420	11,098	14,518
Charge for year	398	2,260	2,658
At 31 August 2021	<u>3,818</u>	<u>13,358</u>	<u>17,176</u>
Net book value			
At 31 August 2021	<u>575</u>	<u>3,196</u>	<u>3,771</u>
At 31 August 2020	<u>973</u>	<u>3,920</u>	<u>4,893</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

8 Intangible Fixed Assets

	Development database
	£
Cost	
As at 1 September 2020	6,334
At 31 August 2021	<u>6,334</u>
Amortisation	
As at 1 September 2020	3,378
Charge for year	1,267
At 31 August 2021	<u>4,645</u>
Net book value	
At 31 August 2021	<u><u>1,689</u></u>
At 31 August 2020	<u><u>2,956</u></u>

9 Debtors

	2021 £	2020 £
Trade debtors	26,705	36,948
Other debtors	58	-
Prepayments	6,786	6,344
Accrued income	49,121	18,654
	<u>82,670</u>	<u>61,946</u>

10 Creditors

	2021 £	2020 £
Amounts falling due within one year:		
Trade creditors	9,540	28,302
Other creditors	18,235	55,547
Accruals	59,754	50,116
Deferred income (note 11)	147,500	30,000
	<u>235,029</u>	<u>163,965</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

11 Deferred Income

	2021 £	2020 £
Deferred income at 1 September	30,000	230,000
Released from previous years	(30,000)	(230,000)
Amounts deferred in the year	147,500	30,000
	<u>147,500</u>	<u>30,000</u>

12 Unrestricted Funds

	At 1 September 2020 £	Income £	Expenditure £	Transfers & Revaluations £	At 31 August 2021 £
General Fund	380,551	875,729	869,008	(141,712)	245,560
Designated					
-Learning	136,919	-	-	(17,869)	119,050
-Fixed Asset	-	-	-	183,383	183,383
	<u>517,470</u>	<u>875,729</u>	<u>869,008</u>	<u>23,802</u>	<u>547,993</u>

The designated funds are described in further detail on page 11.

13 Restricted Funds

		At 1 September 2020 £	Income £	Expenditure £	Transfers	At 31 August 2021 £
Fund:						
Learning	A	11,960	53,000	64,960	-	-
PGCEi	B	17,948	150,000	156,106	-	11,842
		<u>29,908</u>	<u>203,000</u>	<u>221,066</u>	<u>-</u>	<u>11,842</u>

A Music Masters Learning

This comprises restrictions to teaching activities in our partner schools; learning performances and tutor training. Incoming resources to the fund came from the following donors:

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Big Give, Buffini Chao Foundation, the Nugee Foundation and the Ashley Family Foundation

B Team Teach: PGCEi

This includes funding towards the cost of running and developing the PGCEi qualification for teachers. Incoming resources to this fund came from the following donors:

Karlsson Játiva Charitable Foundation; The Rachel Baker Memorial Charity and a major donor who wishes to remain anonymous.

Restricted Funds comparative information

		At 1 September 2019	Income	Expenditure	Transfers	At 31 August 2020
		£	£	£		£
Fund:						
Learning	A	6,347	119,455	113,842	-	11,960
PGCEi	B	7,792	220,000	209,844	-	17,948
		14,139	339,455	323,686	-	29,908

A Music Masters Learning

This comprises restrictions to teaching activities in our partner schools; learning performances; tutor training; evaluation and feasibility work on the development of new income streams from expanding our existing activities. Incoming resources to the fund came from the following donors:

Big Give; Buffini Chao Foundation; Hyde Park Estates Charity; The Mercers' Company; Segelman Trust and John Thaw Foundation.

B PGCEi

This includes funding towards the cost of establishing, validating and launching the PGCEi qualification for teachers. Incoming resources to this fund came from the following donors: Emmanuel Kaye Foundation; Karlsson Játiva Charitable Foundation; The Rachel Baker Memorial Charity and The Linbury Trust as well as a major donor who wishes to remain anonymous.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

14 Analysis of net assets by funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:				
Social investments	-	177,923	-	177,923
Tangible fixed assets	-	3,771	-	3,771
Intangible fixed assets	-	1,689	-	1,689
Current assets	449,484	119,050	42,947	611,481
Creditors	(203,924)	-	(31,105)	(235,029)
	<u>245,560</u>	<u>302,433</u>	<u>11,842</u>	<u>559,835</u>

Analysis of net assets by funds – comparative information

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Fund balances at 31 August 2020 are represented by:				
Social investments	130,550	-	-	130,550
Tangible fixed assets	4,893	-	-	4,893
Intangible fixed assets	2,956	-	-	2,956
Current assets	374,689	136,919	61,336	572,944
Creditors	(132,537)	-	(31,428)	(163,965)
	<u>380,551</u>	<u>136,919</u>	<u>29,908</u>	<u>547,378</u>

15 Operating leases

At 31 August 2021, the charity had annual commitments under non-cancellable leases as follows:

	2021 £	2020 £
Land and Buildings:		
Not later than one year	20,000	20,000
Later than 1 year and not later than five years	21,666	41,666
	<u>41,666</u>	<u>61,666</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (continued)

16 Related party transactions

During the year ended 31 August 2021 the charity received £282,712 (2020: £338,725) in donations and incurred £nil (2020: £nil) in costs reimbursed to trustees, close members of a trustee's family or organisations controlled by trustees.

No trustee expenses were reimbursed during the year (2020: £nil). No charity trustee received payments for professional or other services supplied to the charity (2020: nil).

17 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the year	(11,345)	96,273
Interest receivable	(115)	(548)
Depreciation and impairment of tangible fixed assets	2,658	1,829
Amortisation and impairment of intangible fixed assets	1,267	1,266
Impairments on social investments	(5,040)	5,040
Cost of investments disposed of in year	2,001	977
(Increase)/decrease in debtors	(20,724)	(13,912)
Increase/ (decrease) in creditors	71,064	(113,960)
Net cash flow from operating activities	<u>39,766</u>	<u>(23,035)</u>