

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020

Trustees

Mrs Joan Kirkbride, Chairman¹
Dr Jamie Clarke
Mr Clive Gresham (reappointed 23 January 2020)¹
Mrs Georgina Fordham
Mr Roger Griffiths (reappointed 19 September 2019)
Cllr Dudley Hughes (reappointed 7 July 2020)²
Mr Iain Massey (reappointed 7 July 2020)
Mrs Renuka Popat (reappointed 7 July 2020)
Mr Trevor Shipman (reappointed 23 January 2020)¹
Mrs Morcea Walker
Northamptonshire County Council, non-Trustee Director

¹ Members of the Finance Group

² Local Authority Nominated Trustee

Company registered number 07738151

Charity registered number 1145643

Registered office 125-129 Kettering Road
Northampton
Northamptonshire
NN1 4AZ

Senior management team Peter Smalley, Chief Executive
Rachel Coles
Anna Denny
Chris Hiscock
Andy Kirkwood
Mark Malitskie
Richard Roper

Company secretary Mark Malitskie

Chief executive officer Peter Smalley

Independent auditor MHA MacIntyre Hudson
Chartered Accountants
Peterbridge House
The Lakes
Northampton
NN4 7HB

Bankers Lloyds Bank PLC
2 George Row
Northampton
NN1 1DJ

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Solicitors	Bates Wells Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

The trustees, who are also directors for the purposes of the Companies Act, present their annual report together with the audited financial statements of the Northamptonshire Music and Performing Arts Trust ("NMPAT", or "the charitable company" or "the Trust") for the year ended 31 August 2020.

Constitution

NMPAT is a company limited by guarantee with Charitable Status. The company was incorporated on 11 August 2011. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The trustees are also the directors of the charitable company for the purposes of company law. The charitable company is known as Northamptonshire Music and Performing Arts Trust.

Details of the trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Global Pandemic

As February 2020 led into March, all attention turned to the growing Coronavirus situation – soon to be declared a global pandemic. Schools began to report infections as students returned from February half term holidays and on March 20, the DfE announced that all face-to-face teaching had to stop. Initial uncertainty rapidly led to the development of scenario planning based around the tremendously important introduction of the Job Retention Scheme ('JRS') by government. By early April, as the previously unknown word 'furlough' became ubiquitous, all teaching staff, site staff and two office staff were fully furloughed under the JRS. The onset of the pandemic led directly to the decision to retire by a number of highly experienced and long standing members of staff and we miss them.

As the scale and severity of the pandemic increased, NMPAT cancelled all planned events including the two tours which had been due to visit Spain and Germany and it soon became clear that no face-to-face teaching would be possible during the summer term. We lost one third of our teaching income and this is reflected in the lower turnover for the year. Some areas of activity continued on-line and the first NMPAT Virtual

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

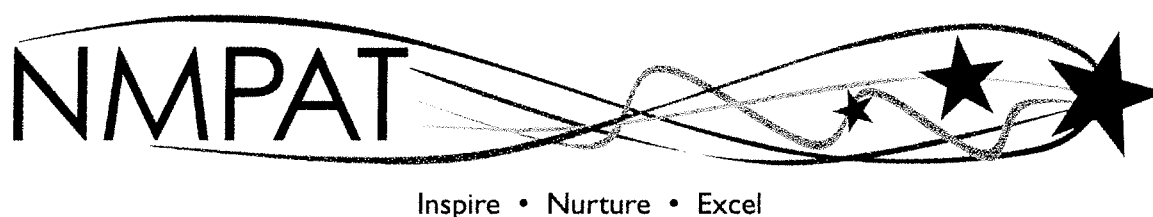
Saturday Centre performed "With a Little Help from my friends" to over 330 members and families. As an organisation, we began to turn our attention to September and to developing a programme of activities for the autumn term as well as 'Covid-19 Safe' working practices and more sophisticated on-line delivery capabilities taking into account appropriate safeguarding measures. As the year ended in August 2020, other than a few potential Covid-19 cases right at the start of the outbreak, there were no workplace infections. Working to Covid-19 Safe practices since the year end has enabled the organisation to operate satisfactorily and with very few individual cases requiring isolation. None of our staff have suffered any serious illness due to coronavirus.

We increased our communications tremendously with staff as the 'on-line' world became the working reality; establishing fortnightly on-line mass meetings utilising technology of which previously we had only been vaguely aware and launching our NMPositivIT campaign which helped boost morale amongst a much wider audience than our staff alone. We made sure that we kept in touch with as many of our students as possible as we began to become aware of the negative wellbeing implications of lockdowns and the inability to meet in-person and as these began to affect our students. We won an important concession from HMRC which enabled our teachers to continue providing this non-chargeable support without prejudicing our ability to claim JRS support.

JRS support – particularly in the form of flexible furlough - has been a lifeline without which, it is doubtful that NMPAT could have survived the pandemic in its present form. All planning has been with a view to maintaining as much teaching capacity as possible so that when life returns to some kind of normality, we are able to respond quickly and with the greatest possible teaching provision. Staff support for the situation has been wonderful and there was across the board acceptance of lowered pay for the element of furloughed time – the result of which, taken together with the JRS support, meant that NMPAT was able to report a relatively modest trading deficit of £86,332 for the year as a whole.

Since the year end, NMPAT returned to face-to-face teaching both in schools and at its Kettering Road centre maintaining Covid-19 Safe practices at all times. The autumn term 2020 witnessed activity levels which were about 60% of pre-pandemic levels but these were impacted by the inability to re-open Saturday centres and by the second national lockdown and then by the third national lockdown which began in January 2021.

Principal Activities



Although significantly impacted by the pandemic, NMPAT was able to stage events, competitions and concerts until spring 2020 when all activities were curtailed or cancelled for the remainder of the year. The Trust runs more than 30 centrally operated county ensembles encompassing orchestras, brass, wind and jazz bands, choirs, chamber ensembles, world music groups and a Youth Theatre. It also runs 13 regional music and performing arts centres with an open access policy to enable any student with an interest in music to gain their first experience of group music making. One of the Saturday morning centres - Y-Not Arts - runs for young people with special needs. The Trust has recently established a SEND team which includes provision of music therapy. Rock schools (NMPAT Contemporary) around the county enable students to join with other like-minded musicians to form bands performing in a variety of contemporary genres and the Trust maintains educational contact with nearly every state school in the county and many of the private establishments, tertiary colleges and early years centres.

The Inclusion team continues with its "Industrious" project. Industrious is designed to support children in challenging circumstances. There is clear evidence of the Inclusion programme helping children and young people outside of mainstream education sustain their musical interests and development over the long-term and the programme is addressing a range of important needs in local communities.

A fully funded Music Technology Project started at 3 county schools aimed at bringing music production and recording to children who would not otherwise have had the opportunity to create their own music.

To deliver all of this, NMPAT employs a work force of 256 employees comprising teachers, tutors, student helpers, clerical staff, site supervisors and cleaners. This team of employees has enabled it to establish the organisation as one of the strongest and most highly regarded music services in the country. Importantly, this places NMPAT in an ideal position to be the lead partner in the Northamptonshire Music Education Hub.

NMPAT works with key partners to ensure the highest quality and penetration of its provision. It has always delivered teaching on a range of instruments and delivers musical experiences to nearly every maintained school in the county as well as working with five of the independent schools. It has links with local and national portfolio holders including Royal & Derngate, Corby Cube and the Royal Philharmonic Orchestra, delivering a range of targeted projects in areas of particular need.

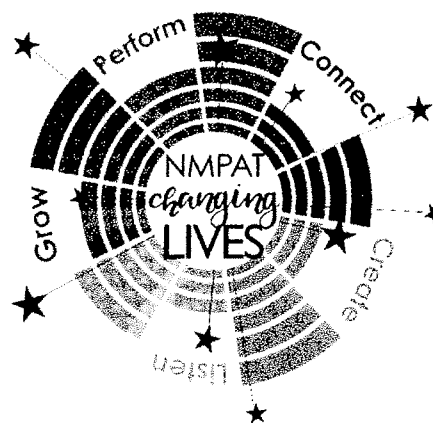
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

NMPAT is an established provider of instrumental and vocal teaching and ensemble experiences, with a strong track record of success and delivery. It is established on a firm business footing in its own premises situated centrally within the county. A strong, well-qualified and committed work force is one of the key elements of the organisation with staff regularly giving over and above what could reasonably be expected. The management structure and clerical support is lean and efficient, minimising costs and overheads.

Achievements and performance

Notable highlights from 2019-20 included:

- The work of Peter Smalley and the whole staff of NMPAT was recognised in the awarding of an Honorary Fellowship to Peter by the University of Northampton in February 2020
- Migration to Office 365 - accelerated by the pandemic – with adoption of Microsoft Teams as a quickly adopted bonus. This migration was key to our switch into on-line teaching
- The launch of NMPositiviT which was a never ending delight keeping staff, student, parents and many others diverted and entertained during the darkest days of the pandemic
- The launch of the NMPAT Changing Lives campaign
- Re-branding of the centres as Saturday Music and Arts Centres and rebranding of NMPAT Rock to NMPAT Contemporary
- A feature about the work of NMPAT in the 2020 Parliamentary Review



Independent Charitable Organisation

In its eighth year of trading as an independent organisation, the Trust has further consolidated its position as the leading deliverer of music education opportunities in the county, maintaining contact with all former clients and working with local partners to provide a range of artistic opportunities and experiences.

The Trust maintained its strong financial position throughout the pandemic and it continues to be financially viable under the keen scrutiny of the executive and trustees and retains the loyal support of its staff, stakeholders and customers.

Educational Opportunities

The key business of the Trust is the delivery of small group and individual lessons to schools. Delivery hours

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

are not a meaningful statistic during this pandemic year but the Trust has maintained connections with and support from nearly every school in the county during the schools shutdown and these connections have made it possible to re-establish teaching in schools from September 2020 wherever the schools have been able to accommodate us.

The Trust has maintained 13 area Saturday Centres, which allow young musicians their first opportunity of making music in a group. Although these centres have remained closed since late March, we established a highly regarded Virtual Centre which has been running since July. We look forward to re-starting live Saturday centres as soon as social distancing measures allow.

Prior to the first lockdown, the Trust ran and maintained its County Ensembles and area based rock schools, NMPAT Contemporary. There are over 30 centrally managed County Ensembles, membership of which is by annual competitive audition. It was not possible to run the county ensembles during the summer term but teachers delivered free-of-charge on-line "keep in touch" sessions throughout the summer term and over the holidays. The audition process in July was our first mass 'virtual' experience and was considered a sufficiently successful trial to become adopted as our principal method of holding auditions.

Performance Opportunities and Artistic Experiences

The Trust has a strong tradition for the quality of its top musical ensembles, but these are the tip of a large structure of performance and artistic opportunities.

Although 2019-20 was significantly impacted by the pandemic, NMPAT provided a full timetable of activities until March 2020 when all face-to-face activity had to stop due to coronavirus measures. Highlights of the year up to that point included:

- The County Youth Concert Band who performed at the Music for Youth Proms in November 2019
- A Horn Workshop with Jeremy Bushell (alumnus) from the CBSO
- Malcolm Arnold Festival performances in November
- A highly regarded performance of The Pied Piper at De Montfort Hall in October. This involved almost every primary school in Rutland
- Youth in Concert performance given in November in the Derngate theatre
- Platinum Awards at the NCBF regional event for the County Youth Concert Band and County Youth Big Band
- The Big Band and String Sinfonia working with partners Screen Northants for their latest feature film, Fortune Cookies; appearing in a "dream sequence" when the heroine of the story, who is singing in a talent show, imagines that she is accompanied by a full big band and string orchestra
- Two highly successful days of Big Sing, which saw a performance of Joseph and the Amazing Technicolour Dreamcoat given just before lockdown started

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

- Our Jazz programme recognised, being shortlisted for Will Michael Jazz Education Award, recognising the work led by Jamie Glew to develop and extend Jazz Matters as a vehicle for encouraging the growth in Jazz Improvisation

Connected Organisations

The Music Education Hub

The concept of Music Education Hubs was introduced in 2012 as a mechanism to deliver the promises of the National Plan for Music Education and NMPAT successfully bid to become the lead partner of the Northamptonshire Music Education Hub (NMEH) in May 2012. In April 2017, the DfE through Arts Council England announced a three year funding settlement operating via the Music Education Hubs. Although there has been no formal renewal of the settlement, the DfE rolled this over in 2020 and a further roll-over for 2021-22 has been announced. A new National Plan for Music is expected after 2021-22 and the Trust's working assumption is that the national music grant and the Trust's role as Hub lead partner will continue.



In September 2013 NMPAT was invited to bid to become the lead partner in the Rutland Music Education Hub and set up a wholly owned subsidiary company for the purpose of doing this. It is in the unique position of being the only organisation in the country leading two Music Education Hubs. Rutland Music is a wholly owned subsidiary charity. Charity No. 1156103



A key component of the concept of a Hub, is partnership working with other key stakeholders and deliverers of musical opportunities. Through its work as the lead partner, NMPAT works with partner organisations divided, for operational reasons, into education partners who are the essential end-users of the Hub, core partners who bring additional funding and activity to the Hub, and associate partners whose work enhances the musical offer for the county.

- **Education Partners:** Schools, Colleges, Early Years Centres, Pupil Referral Units, Hospital Schools, University
- **Core Partners – Those involved in delivery or bring extra resources to the Hub:**
 - **Delivery Partners:** Those actually engaged in front line delivery with students and all local and national portfolio organisations operating in the county
 - **National Partners:** Organisations which bring additional funding and opportunities to the Hub including Music for Youth, Orchestras Live, Royal Philharmonic Orchestra, National

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020

Concert Band Festival

- **Associate Partners – Those whose work enhances the musical life of the county:**
 - **Community Partners:** Orchestras, Brass Bands, Wind Bands, Choral Societies and other community music making opportunities
 - **Commercial Partners:** Shops, suppliers, retailers and wholesalers with whom NMPAT has a particular relationship
 - **National Partners:** National bodies whose work enhances the musical offer of the Hub, including examination Boards and the National Youth Music Ensembles
 - **International Partners:** Though beyond the formal scope of the Music Education Hub, there are international groups with connections with Northamptonshire which we are happy to acknowledge

Key strategic Partnerships

The principle strategic partnership in the delivery of hub activity is with Arts Council England, who are the fund holders for the Government's National Music Grant, distributed by the Department for Education. NMPAT works closely with Relationship Manager, Heloise Davies, who attends board meetings and is the first point of contact for matters relating to hub delivery. The Trust has benefited from an Arts Council funded 'Peer to Peer' development programme under which NMPAT has joined up with West Sussex Music Trust and with Bromley Youth Music Trust with the aim of encouraging mutual support and peer learning.

Supported using public funding by



Work continues in partnership with Youth Music and our inclusion team have gained funding support from Youth Music for our major project "Industrious" which started in February 2019. This project is a follow-on from "Music Forge". Regular activities include 'relaxed singalongs', SEND youth activities and one-to-one lessons together with 'sound control' activities in 'special schools'.

YOUTH

MUSIC

NMPAT's partnership with Orchestras Live continues but all face-to-face work, including collaborative work with the Royal Philharmonic Orchestra, was put on hold due to the pandemic. Plans for future projects are being formulated.

ORCHESTRAS *Live*

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020

NMPAT is a member of Music Mark, the UK association for music education. Music Mark lobbies and advocates for music education at a national level and the NMPAT Chief Executive serves as a trustee of Music Mark. As an association, Music Mark has proved to be an essential ally and a vehicle of mutual support for hubs around the country as the pandemic took hold and music teaching and activities had to be curtailed. We particularly acknowledge the guidance and support of Bridget Whyte CEO of Music Mark who has worked tirelessly in support of music education throughout.



NMPAT is also a member of MEHEM (Music Education Hubs East Midlands). This is a confederation of the six music services serving the counties of the East Midlands, the terms of reference for which state that it is a co-operative group, formed for mutual benefit, but with no formal legal status. MEHEM has brought tangible benefits to the music services of the East Midlands, through closer collaboration, co-operation and a sharing of responsibilities and resources, most recently with a successful application to Youth Music to fund the MEHEM UpRising! project referred to in the Fundraising section of this report.



NMPAT is in a partnership arrangement with the Royal Northern College of Music in Manchester which will see close collaboration for staff and students with one of the country's leading conservatoires. Whilst hindered by the pandemic, plans and opportunities for staff and students are still being proposed which will benefit both organisations.



Fundraising and Development

NMPAT is committed to developing and implementing a long-term fundraising strategy to ensure its resilience and sustainability. In an environment that, pre COVID, was already seeing increasing pressure on support for the arts from government and other public sources, NMPAT remains committed to attracting income from alternative and additional sources – including grant fundraising from trusts, foundations and similar; individual giving and donation income; and from sponsorship. There is an understanding of the need to adapt to NMPAT's external environment and to diversify income sources – and there is an ever more compelling need to build NMPAT's ability to raise funds through private means. The appointment of a Fundraising Manager, in 2016, has increased our capacity to draw in non-government funds.

Ongoing fundraising efforts focus on generating income from trusts and foundations and on building relationships with individuals and organisations within Northamptonshire, which has brought significant return. Note 6 to the accounts provides a list of support providers and we are indebted to these individuals and organisations for their generous support of NMPAT's aims.

In September 2019 we received a donation of £50,000 from the Constance Travis Charitable Trust, to support the launch of a Music Technology programme. This fully funded project engages with young people in Kettering, Corby and Northampton, through the medium of music technology, and through collaboration with schools which do not have a strong existing connection with traditional music making. Partnerships

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with Roland, Steinberg, and TIME (Technology in Music Education), have further enabled ongoing access to software, and staff training. This project has been further supported, by the Constance Travis Charitable Trust, in 2020.

The Kirby Laing Foundation made a grant of £5,000, to support Reach the Stars – NMPAT's bespoke delivery with and for young people with SEND - developing delivery with DSP Units (Designated Special Provision).

The Frederic and Phyllis Cann Trust made a further contribution of £5,000 to support planned tours by the County Youth Orchestra and Choir.

NMPAT's Musical Inclusion "Industrious" programme continued into the second year of support from Youth Music – the Fund B award of £137,193 over three years, commenced in February 2019. Music production and DJ sessions were delivered in schools and Relaxed Singalongs are now well established. The Industrious programme continues to be in a strong financial position, with significant support confirmed from the British and Foreign School Society (BFSS) with £39,000 over three years (from January 2019), Children in Need support of £29,520 over three years (from May 2019), and support from Northamptonshire Community Foundation (May 2019). However, while some delivery has successfully moved online, delivery has been impacted by the pandemic, and there have been delays to planned delivery. Grant funders have been supportive and sympathetic, with some variation made to grant payment schedules – BFSS support has been deferred into 2020.

The Musical Inclusion team are currently working with Northamptonshire Careers, with NMPAT as the delivery partner for a substantial project supported by funds from The Spirit of 2012 (£200,000), the legacy charity set up after the Olympics to "invest in happiness" and to "enable people to be active, creative and connected". NMPAT – in partnership with Northamptonshire Carers - is helping deliver music activities for female Carers and Young Carers throughout the county. Some of this working has been able to continue online, in more recent months.

The Gordon Robinson Memorial Trust continues to support an annual presentation of Fellowships, Awards and Bursaries, to individual young people, participating in NMPAT activities. It is recognised that, as a result of the financial crisis resulting from the pandemic, young people are in need of financial support, to support and enable access to music making activities, now, more than ever.

As we began 2019 – 2020, the NMPAT 50 anniversary theme continued through to the end of December 2019, as a focus for raising our fundraising profile, highlighting individual giving and communicating NMPAT as a charity. Donations received through Virgin Giving and Local Giving have both increased substantially during this year, predominantly stimulated by both NMPAT 50 and as support in response to the COVID pandemic.

Particular recognition and thanks go to Debbie Smith, for her continued support. Through her promotion and enabling of events Debbie has now raised over £20,000 of funds to support the work of NMPAT.

NMPAT continues to maintain contact with a network of Ambassadors. NMPAT is well supported by the Lord Lieutenant, High Sherriff(s) of Northamptonshire, Deputy Lieutenants, by Rotary and Masonic groups and others – and our communications include opportunities for individual giving, Gift Aid, and about our

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charitable activities.

Gift Aid relief on membership subscriptions continues to form a key component of NMPAT's income. Overall gift aid relief amounted to £82,382 in 2019 -20.

Our associated organisation Rutland Music Trust staged Pied Piper - Big Sing, culminating in a world premiere public performance at De Montfort Hall in Leicester in October 2019, and featuring young people from all the schools in Rutland. This was a major undertaking, only possible with additional financial support, in the form of grants and donations, including Project Grant Support from Arts Council England and support from the D'Oyly Carte Charitable Trust. Income relating to this project, is reported in both 2019 and 2020, due to the timing of delivery. Participation in Pied Piper was fully funded for young people, with our supporters providing for the direct operating costs associated with workshop delivery, travel and transport costs to enable young people to participate in the performance, performance costs and other expenses.

We would like to thank all of those individuals and organisations whose generosity of support has made this happen: National Lottery Project Grant support from Arts Council England, Arts for Rutland, David Laing Foundation, the Helen Jean Cope Charity, the T P & C Hinkinbotham Charitable Trust, the Rutland Trust, Anthony Smith – Shoe Zone, Gates Garden Centre, and those supporters who choose to remain anonymous. We would also like to acknowledge the following organisations, supporting RMT and our work in Rutland: Co-Op Local Community Fund (Uppingham), Orchestras Live, Sing Up and Youth Music.

Collaboration with the Friends of NMPAT and Friends of our regional / Saturday Centres, has further enabled these separately constituted groups to unlock potential sources of community and grass roots support, not otherwise available to NMPAT. Most recently, this has included income from local supermarkets (Waitrose and Co-Op) and a local borough council.

NMPAT is one of six members of the MEHEM partnership (Music Education Hubs East Midlands), bringing the leaders of the East Midlands Hubs together. The MEHEM partnership has also been the vehicle for the successful Youth Music funding application (£199,550) to support MEHEM UpRising! A three year programme, commencing in 2020, to support SEND across the region.

More locally, NMPAT is a partner in the Cultural Compact for Northampton and is involved in the expansion of Creative People and places to Wellingborough. It is a partner in the Northamptonshire Cultural Education Hub and was poised to play a significant role in Surprise Northampton 2020 Year of Culture. This initiative has now been extended for a further year.

The impact of the COVID19 pandemic cannot be overstated in terms of the challenges it presents to NMPAT's financial resilience and our ability to secure funds from other sources.

NMPAT will continue to develop its fundraising for project initiatives and components, from trusts, foundations and others, on an ongoing basis, for a wide range of project initiatives. All such fundraising support is for project delivery and relates to the specific direct operating costs associated with related project delivery, and depends upon NMPAT committing core resources to underpin and enable project delivery.

Organisational Structure

The management and governance structure consists of three levels: the trustees, the senior managers and the business management team. The aim of the structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the charitable business of the Trust by the use of budgets, monitoring and mitigating risks and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The senior managers are the Chief Executive, Financial Officer, the four Deputies and the Fundraising Manager. These managers control the Trust at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group, the senior managers are responsible for the authorisation of spending within agreed budgets and for the appointment of staff.

The business management team includes the senior managers and department heads. These managers are responsible for the day to day operation of the Trust, in particular organising the teaching staff, facilities and students.

The Board of Trustees

The Board of Trustees met during the year on a bi-monthly basis to oversee the workings of the Trust. From the onset of the pandemic, the Finance Committee of the board began to meet fortnightly in order to monitor scenario planning and likely outcomes as demand fell away and JRS funding increased.

In August 2020 there were ten trustees. The Chief Executive and Financial Officer also attend board meetings by invitation. The board has appointed a clerk to take minutes and distribute papers.

The trustees receive no remuneration for their services.

Method of Recruitment and Appointment or Election of Trustees

The articles of association allow for the appointment of new trustees to be made by the company members, who are the existing trustees, with the exception of the Local Authority nominated representative. Nominations are made to the board and if approved are approached to ask if they would be prepared to stand. The recruitment of new trustees is taken as an opportunity to consider the balance of skills on the board and address any areas of weakness. The trustees carried out an assessment of the mix of skills and knowledge held by board members in March 2018.

Trustees are appointed for three years. Trustees are subject to retirement by rotation but are eligible for re-

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election at the meeting at which they retire, subject to a maximum four terms of office. There must also be a break of a year after two consecutive terms.

There are restrictions on individuals associated with Local Authorities becoming trustees. At present Northamptonshire County Council nominates one trustee to sit on its behalf.

Policies and Procedures for the Induction and Training of Trustees

Trustees are recruited for their skills and experience. Where a gap in an area of expertise is identified, the Trust seeks to recruit someone with appropriate abilities. All new trustees will be introduced to the organisation and be given the chance to meet with key staff and to attend performances by students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. As the process of appointing new trustees will be gradual, induction will tend to be done informally and be tailored specifically to the individual.

Trustees are encouraged to undertake training to keep their skills up to date.

Trustees' Indemnities

The Trust has purchased insurance to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. Details of the costs can be found in note 11 to the accounts.

Objectives and activities

Objects and Aims

The principal objects and activities of the Trust are defined by the charitable objects:

- To advance education within the framework of the arts for the benefit of the public of Northamptonshire and elsewhere
- To advance the arts and culture for the benefit of the public, particularly, but not exclusively, by promoting and facilitating access to and performances of music and other art forms
- To provide for the recreation of children, young people and adults for the benefit of the public by providing facilities and services to them in the interests of social welfare with the object of improving conditions of life

Its work as lead organisation of NMEH is defined by the National Music Plan, the key goals of which will be delivering the four core roles of the National Music Plan:

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- Ensuring that every child has the opportunity to learn a musical instrument through whole-class ensemble teaching programmes in their Primary Schools
- Providing opportunities for students to play in ensembles and to perform from an early stage
- Ensuring that clear progression routes are available and clearly signposted throughout a student's school career
- Developing a singing strategy to ensure that every pupil sings regularly and that choirs and other vocal ensembles are available in the area

There are three extension roles to the National Plan:

- Providing an instrument loan service
- Providing access to large scale, high quality music experiences for pupils, working with professional musicians and/or venues
- Offering continuing professional development to school staff, particularly in supporting schools to deliver music in the curriculum

The Trust did not initially bid to deliver the third extension role, but has since developed new areas of activity, supporting the delivery of curriculum music in schools and the School Music Education Plans.

Objectives, Strategies and Activities

The primary focus of the Trust during the period ended 31 August 2020 was:

- To preserve and further enhance musical and artistic educational opportunities for the children and young people of the counties of Northamptonshire and Rutland, through the delivery of the National Plan for Music Education

Public Benefit

The Trust promotes music education, the arts and culture for the benefit of the children, young people and communities of Northamptonshire and beyond.

The trustees of the Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. Although the coronavirus pandemic has necessarily curtailed face-to-face activities, the trustees have maintained the infrastructure needed to deliver a full set of activities and, where possible under coronavirus restrictions, the activities undertaken to further the Trust's purpose for the Public Benefit have included:

- The provision of Musical and Artistic opportunities for the children and young people of the county
- The provision of 13 Regional Music and Performing Arts Centres available to all, with fee remission for those in financial need

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST **(A company limited by guarantee)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

- The provision of auditioned senior ensembles for the gifted and talented, with fee remission for those in financial need
- The provision of performances showcasing the talents of the young people of the county.
- Providing the infrastructure to lead on the National Plan for Music Education for the benefit of all schools and the whole population of the county

There is a charge for the services provided by the Trust and membership subscriptions of County Groups and Saturday Centres, but there is a remissions policy for subscriptions for those in receipt of state benefits. There is also a second tier of discretionary remissions for those not qualifying for State Benefits, but still in financial need. Applications from such students are looked upon favourably.

The Gordon Robinson Memorial Trust is a charity which holds money to support the musical learning of Trust students. Some of this money is used as bursaries to enable access to high quality individual lessons.

The trustees have considered the Charity Commission's guidance on public benefit and fee charging.

Key Financial Performance Indicators

The Trust uses a number of financial key performance indicators to monitor financial success of the Trust and progress/improvement against the targets set.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues 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 Statement of Accounting Policies.

Financial review

This was a year of two distinct periods. The autumn term was unaffected by the coronavirus pandemic and to a certain extent the spring term was relatively unaffected. Most schools had already paid their spring term invoices by the time face-to-face tuition ceased and no schools requested refunds for the spring term. A similar situation applied to earned income from county groups, individual tuition and centre membership and although some refunds were asked for, the amount involved was immaterial to the results for the year. The summer term was significantly and materially impacted by the pandemic and no work could be billed resulting in no earned income for that term. The resulting loss of some £1.3m of earned income was recovered through two vital contributory factors. The Job Retention Scheme created by government to support organisations who could not continue to operate provided £891,100 to the Trust in the period to 31st August. It would not be overstating matters to conclude that without the JRS, NMPAT would not have been able to continue in its present form. The second contributory factor was the huge support from staff where,

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

through a combination of salary reductions whilst on furlough as well as a reduction of the hourly paid salary bill, over £400,000 of savings were made.

As soon as lockdown began, financial monitoring switched to a cash flow basis and the Finance Committee of the board increased the frequency of meetings. The board conducted scenario planning throughout the summer term until it became clear that 'flexible furlough' would be made available into the following year. At that point, the board was able to reduce the monitoring frequency to monthly and we reverted to financial monitoring on an accruals basis.

Year on year comparison of individual elements of income is not meaningful in the circumstances but the organisation has set up new KPI's in order to monitor the gap between demand for its services (in hours) and its ability to provide those services (capacity). At the same time, efforts to maximise a return to music education continue and the trustees recognise the potential for a long slow return to the levels of teaching we used to enjoy.

Overall income fell from £5.2m to £4.7m. Total expenditure fell from £5.2m to £4.8m resulting in a trading deficit for the year of just over £86,000. In the circumstances, this was a remarkable achievement allowing us to end the year with reserves of £1.8m and cash of just over £1.5m giving us a buffer against the uncertainties which have prevailed since then.

Direct billing to parents of school based music lessons ('direct billing') increased significantly in our third year of this trial. Direct Billing sales to parents in 2019 were £132,000 and in the first two terms of 2020 alone, these had increased to £174,000. Our expanded 'direct billing' trial has enabled us to retain contact in schools which were threatening to leave us if we did not undertake the billing ourselves. We anticipate gradually extending direct billing capability in future years.

Last year, we reported concern about a sustained year on year downturn in demand from schools. The pandemic initially caused wholesale abandonment of music teaching in schools and it remains unclear how much demand will pick up. The shortage of funding in schools, pressures on the school curriculum and the effects of the pandemic on family finances all combine to a potentially bleak outlook and NMPAT is doing all it can to appeal to schools and parents to devote resources to the music experience. Of particular concern are the large primary schools in areas of social deprivation which have decided to remove all opportunities for instrumental music.

The trust receives just over £1.1m from the Arts Council England as part of the National Music Grant. This grant was made under the National Plan for Music Education which was in place until March 2020. Although a new National Plan was in development, the pandemic has put that on hold. In the interim, the DfE announced a roll-over for both 2020-21 and 2021-22 but there is no confirmation after 2021-22. The Trust's chief executive is in dialogue with the DfE through Music Mark regarding the development of a new National Plan for Music Education and the Trust's working assumption is that the national music grant will continue at about the same level next year as will its role as hub lead partner. Funding from the Department for Education for delivery of the National Plan for Music Education was £1,117,987. Grant funding for 2019-20 represented almost 25% of total income.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST **(A company limited by guarantee)**

TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

The most significant costs associated with the Trust are salaries and these, along with travel expenses associated with a large rural county accounted for 90% of expenditure. The Trust continues to monitor the use of staff to ensure that revenue earning hours are maximised from salaried staff and that casual staff are only employed when required for revenue earning activity.

The latest comparison of the fair values of the LGPS pension fund assets with the present values of the funded liabilities shows an asset position of £38,000. In line with FRS102, this net asset has been reduced to £Nil as the charitable company is unable to recover the surplus through refunds or reduced contributions.

Financial position

The Trust held fund balances at 31 August 2020 of £1,833,534 (2019 – £1,888,866) comprising £695,825 (2019 - £702,652) of restricted funds, £517,870 (2019 - £522,951) of designated funds and £619,839 (2019 - £663,263) of unrestricted general funds.

Reserves Policy

The Trust aims to maintain reserves at a level equivalent to three month's payroll and this aim was achieved in the year under review.

The purpose of the reserve policy is to ensure adequate cash flow at all times and underpin the nature of the company as a going concern.

Investment Policy

Where cash flow permits, surplus capital is moved into bank deposit accounts to attract a rate of interest. This is done on a two monthly basis, always ensuring that the money is returned to the account before it will be required for the payment of major bills.

Gender Pay Gap

In 2018, the Trust reported a negative gender pay gap showing that its female employees earned an hourly rate that was 2.5% higher (mean) or 6.1% higher (median) than its male employees. This small negative gap is influenced by the relatively high number of female employees earning at our teaching rate. The trust fell out of scope for the reporting of Gender Pay Gap in 2019 and 2020 but no significant demographic changes have been made and the gender pay gap reported in 2018 is likely to have remained substantially the same.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal Risks and Uncertainties

Through the Trust's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the trustees are:

- Change in the business environment - the Trust has received approaches from schools who wish to divest themselves of the administrative functions involved in delivering music tuition
- General as well as pandemic related changes in the economic environment – Schools have fewer financial resources and are withdrawing subsidy for lessons and/or transferring the financial burden to parents who increasingly find it difficult to afford 'extra-curricular' activities
- Risks of contracting Covid-19 or of passing infection on to students and colleagues
- Changes in the cost structure – Teachers Pensions have announced a significant increase in employer premiums from April 2019
- Reduction in student numbers either through competition or a damaged reputation/falling standards

Key controls that the Trust has in place to mitigate these risks include:

- Development of appropriate business systems to enable direct billing of parents
- Business planning process which highlights the need to respond to external demand changes
- Appropriate organisational structure with continual monitoring of costs and income of each income stream
- Comprehensive Covid-19 Safe procedures, equipment, instructions and mitigations
- DfE support to cover all of the Teachers Pension cost increases has been confirmed – at least until September 2021. Lobbying for a continuation of that support is in hand
- Lobbying for support of the importance of the music curriculum within schools
- Internal quality assurance reviews and self-assessments

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Financial and Risk Management Objectives and Policies

The Trust's risk management procedures are outlined above. The trustees consider that the risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing the Trust.

The Trust does not have significant trade debtors as income is invoiced at the beginning of the school term and other tuition is mostly paid for in advance mitigating any credit risk. Levels of bad debt are extremely low and instances are dealt with on an individual basis.

Cash flow is monitored daily by the Trust and budgets are presented to the trustees to consider cash flow and liquidity in detail. The Trust has built up cash reserves which enable it to withstand financial stress arising from the coronavirus pandemic.

Plans for future periods

The principal aim of the charity is to preserve musical and educational opportunities for the children and young people of the county, by preserving as much of the infrastructure for tuition and ensemble experiences as possible, always working within the confines of local and national agendas and opportunities.

All significant capital projects have been deferred until more certainty concerning medium term future demand becomes available.

Funds held as Custodian Trustee on behalf of others

No member of the Trust Board is acting as a custodian trustee for any assets of NMPAT.

Responsibilities of the Trustees

The trustees (who are also the directors of Northamptonshire Music and Performing Arts Trust for the purposes of company law) are responsible for preparing the trustees annual 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements 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 charitable company will continue in operation

The trustees are responsible for keeping adequate accounting records that 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. The trustees 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 other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor


MHA MacIntyre Hudson are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
125-129 Kettering Road
Northampton
Northamptonshire
England
NN1 4AZ

Signed by order of the Trustees



Joan Kirkbride - Chairman

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST

Opinion

We have audited the financial statements of Northamptonshire Music and Performing Arts Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 August 2020 and of the Group's incoming resources and application of resources, including its income and expenditure 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 and the Charities Act 2011.

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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

We have nothing to report in this regard.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST (CONTINUED)

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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

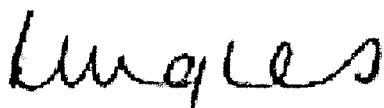
Auditor's responsibilities for the audit of the financial statements

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 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.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Rebecca Hughes BSc (Hons) FCCA (Senior statutory auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 26 March 2021

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	-	27,939	27,939	48,164
Charitable activities	4	2,076,712	2,480,784	4,557,496	4,993,445
Other trading activities	5	-	75,470	75,470	143,196
Investments		1,000	4,870	5,870	11,503
Total income		2,077,712	2,589,063	4,666,775	5,196,308
Expenditure on:					
Raising funds	7	-	50,754	50,754	72,822
Charitable activities	8	2,115,539	2,586,814	4,702,353	5,123,600
Total expenditure		2,115,539	2,637,568	4,753,107	5,196,422
Net movement in funds before other recognised gains		(37,827)	(48,505)	(86,332)	(114)
Other recognised gains:					
Actuarial gains on defined benefit pension schemes	21	-	31,000	31,000	12,000
Net movement in funds		(37,827)	(17,505)	(55,332)	11,886
Reconciliation of funds:					
Total funds brought forward		702,652	1,186,214	1,888,866	1,876,980
Net movement in funds		(37,827)	(17,505)	(55,332)	11,886
Total funds carried forward		664,825	1,168,709	1,833,534	1,888,866

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07738151

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	515,569	540,579
		<u>515,569</u>	<u>540,579</u>
Current assets			
Debtors	13	387,843	205,543
Cash at bank and in hand	19	1,525,887	1,673,965
		<u>1,913,730</u>	<u>1,879,508</u>
Creditors: amounts falling due within one year	14	(595,765)	(531,221)
Net current assets		<u>1,317,965</u>	<u>1,348,287</u>
Total net assets		<u><u>1,833,534</u></u>	<u><u>1,888,866</u></u>
Charity funds			
Restricted funds:			
Restricted funds	15	180,256	162,073
Restricted fixed assets	15	515,569	540,579
		<u>695,825</u>	<u>702,652</u>
Total restricted funds	15	695,825	702,652
Unrestricted funds	15	1,137,709	1,186,214
Total funds		<u><u>1,833,534</u></u>	<u><u>1,888,866</u></u>

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07738151

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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 and signed on their behalf by:



.....
Mrs Joan Kirkbride, Chairman

Date: 25th March 2021

The notes on pages 31 to 57 form part of these financial statements.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST**(A company limited by guarantee)****REGISTERED NUMBER: 07738151**

**CHARITY BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	515,569	540,579
		<u>515,569</u>	<u>540,579</u>
Current assets			
Debtors	13	374,853	215,567
Cash at bank and in hand		1,507,057	1,603,053
		<u>1,881,910</u>	<u>1,818,620</u>
Creditors: amounts falling due within one year	14	(595,015)	(514,835)
Net current assets		<u>1,286,895</u>	<u>1,303,785</u>
Total net assets		<u><u>1,802,464</u></u>	<u><u>1,844,364</u></u>
Charity funds			
Restricted funds:			
Restricted funds	15	180,256	161,073
Restricted fixed assets	15	515,569	540,579
		<u>695,825</u>	<u>701,652</u>
Total restricted funds	15	695,825	701,652
Unrestricted funds	15	1,106,639	1,142,712
Total funds		<u><u>1,802,464</u></u>	<u><u>1,844,364</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own income and expenditure statement and related notes. The company's deficit for the year was £41,900 (2019 – surplus £18,590).

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07738151

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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Mrs Joan Kirkbride, Chairman

Date: 25th March 2021

The notes on pages 31 to 57 form part of these financial statements.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	(152,948)	178,650
Cash flows from investing activities		
Dividends, interests and rents from investments	4,870	6,503
Net cash provided by investing activities	4,870	6,503
Cash flows from financing activities		
Change in cash and cash equivalents in the year	(148,078)	185,153
Cash and cash equivalents at the beginning of the year	1,673,965	1,488,812
Cash and cash equivalents at the end of the year	1,525,887	1,673,965

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Northamptonshire Music and Performing Arts Trust is a private limited company limited by guarantee and registered in England and Wales. Registered company number 07738151 and charity number 1145643.

The registered office and principal trading address is 125-129 Kettering Road, Northampton, Northamptonshire, NN1 4AZ

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Board of Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable trust to continue as a going concern. The Board of Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Further details are included in Note 25.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 Income

Income is recognised once the company has entitlement to the income, after any performance conditions have been met, when it is probable that the income will be received and the amount of income receivable can be measured reliably. Where income is received in advance of meeting the performance related conditions and unconditional entitlement to such income is not met, the recognition of the income is deferred then these amounts are included in creditors as deferred income.

Grants are included in the Consolidated 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 there are conditions attached to the grants received that require a level of performance before entitlement can be obtained, then any relevant income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the company and it is probable that they will be fulfilled. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

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

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that the settlement will be required 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 a basis consistent with the use of resources. 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 Group 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 Group'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
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2. Accounting policies (continued)

2.5 Interest receivable

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 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, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 50 years
Property improvements	- 20 years
Fixture and fittings	- 5 years
Music equipment	- 4 to 10 years
Computer equipment	- 3 years

2.7 Basis of consolidation

The financial statements consolidate the accounts of Northamptonshire Music and Performing Arts Trust and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure account.

2.8 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.

2.9 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.10 Liabilities and provisions

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

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

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

2.11 Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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2. Accounting policies (continued)

2.12 Pensions

The Group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 2 December 2018.

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other gains and losses.

Actuarial gains and losses are recognised immediately in other gains and losses.

2.13 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 Group and which have not been designated for other purposes.

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

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

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FOR THE YEAR ENDED 31 AUGUST 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Gifts and donations	27,939	27,939	48,164
	<u> </u>	<u> </u>	<u> </u>
Total 2019	48,164	48,164	
	<u> </u>	<u> </u>	

Income from donations and legacies - prior year

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Gifts and donations	48,164	48,164	33,857
	<u> </u>	<u> </u>	<u> </u>
Total 2019	33,857	33,857	
	<u> </u>	<u> </u>	

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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4. Income from charitable activities

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Music tuition	-	2,161,645	2,161,645	3,328,711
Grant income from Arts Council	1,117,987	-	1,117,987	1,115,001
Courses	-	71,410	71,410	82,780
Tours	-	26,531	26,531	66,892
Examination fees	-	50,607	50,607	106,513
Gift aid income	-	82,382	82,382	126,795
Grant income from Youth Music	-	57,609	57,609	52,173
Grant income from the Gordon Robinson Memorial Trust	32,540	-	32,540	103,540
Other grant income	891,095	30,600	921,695	11,040
Music production grant	35,090	-	35,090	-
Total 2020	2,076,712	2,480,784	4,557,496	4,993,445
Total 2019	1,218,541	3,774,904	4,993,445	

Gift aid has been claimed on membership subscriptions for County Groups and Saturday Centres. The income recognised in 2019-20 relates to the period to 31 August 2020.

Other grant income includes £891,095 (2019 - £Nil) in relation to government grants receivable under the job retention scheme.

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NOTES TO THE FINANCIAL STATEMENTS
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Income from charitable activities - prior year

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Music tuition	-	3,336,986	3,336,986	3,394,739
Grant income from Arts Council	1,115,001	-	1,115,001	1,107,572
Courses	-	81,545	81,545	90,318
Tours	-	70,892	70,892	82,545
Examination fees	-	106,513	106,513	110,320
Gift aid income	-	126,795	126,795	80,213
Grant income from Youth Music	-	52,173	52,173	120,892
Grant income from the Gordon Robinson Memorial Trust	103,540	-	103,540	106,220
Total 2019	1,218,541	3,774,904	4,993,445	5,092,819
Total 2018	1,212,802	3,880,017	5,092,819	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Concerts, coaches and CDs	28,682	28,682	87,917
Conference	1,820	1,820	5,644
Miscellaneous income	1,298	1,298	1,369
Lettings income	12,325	12,325	14,615
Musical instrument repair	5,780	5,780	15,326
Software sales	25,565	25,565	18,325
Total 2020	75,470	75,470	143,196
Total 2019	143,196	143,196	

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Income from fundraising events - prior year

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Concerts, coaches and CDs	87,917	87,917	88,668
Grants	-	-	73,389
Conference	5,644	5,644	7,724
Miscellaneous income	1,369	1,369	8,732
Lettings income	14,615	14,615	12,485
Musical instrument repair	15,326	15,326	2,637
Software sales	18,325	18,325	14,095
Total 2019	<u>143,196</u>	<u>143,196</u>	<u>207,730</u>
Total 2018	<u>207,730</u>	<u>207,730</u>	

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. Grants

	2020 £	2019 £
The Group recognises financial assistance from various funders as follows:		
Anthony Smith - Shoe Zone	-	1,000
Arts Council England, National Lottery Project Grant	14,540	-
Arts for Rutland	-	3,000
BBC Children in Need	11,875	9,840
British and Foreign School Society	-	12,740
Constance Travis Charitable Trust	50,000	3,000
David Laing Family Fund - Northamptonshire Community Foundation	-	2,900
David Laing Foundation	200	6,500
Kirby Laing Foundation	5,000	-
Debbie Smith	1,571	390
D'Oyly Carte	3,300	-
Friends of Northamptonshire Music and Performing Arts Trust	3,792	4,526
Gates Garden Centre	-	40
Kettering and District Eisteddfod	-	10,000
Local Giving	4,996	4,083
Northampton Borough Council	25,000	-
Northamptonshire County Council	-	2,000
Orchestras Live	-	5,000
Other Donations	19,549	17,773
Rotary West	1,200	-
Sir Andrew Martin Trust	-	800
Spirit of 2012 - Carers project	13,470	-
St Cecilia Singers	-	3,521
The Forman Hardy Trust	-	500
The Frederick and Phyllis Cann Trust	5,000	4,000
The Gordon Robinson Memorial Trust	31,340	103,540
The Helen Jean Cope Charity	-	500
The Maud Elkinton Charitable Trust	-	500
The P&C Hickinbotham Charitable Trust	-	1,000
The Rutland Trust	-	500
Virgin Money Giving	3,741	2,413
Youth Music	41,158	14,851
Accounting adjustments & deferrals	(29,494)	-
	206,238	214,917

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NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of expenditure on raising funds

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Concerts, coaches and CDs	23,217	23,217	40,106
Conference	2,117	2,117	4,582
Miscellaneous	25,420	25,420	16,300
Wage costs	-	-	11,834
	<hr/> 50,754 <hr/>	<hr/> 50,754 <hr/>	<hr/> 72,822 <hr/>

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure on charitable activities

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
FRS 102 pension cost	32,000	-	32,000	17,000
Music centre expenditure	-	138,548	138,548	171,291
Recruitment and other staff costs	-	22,415	22,415	30,902
Rates and water	-	6,950	6,950	6,676
Light and heat	-	15,928	15,928	18,513
Repairs and maintenance	-	40,391	40,391	121,734
Insurance	-	20,310	20,310	21,460
Cleaning	-	2,854	2,854	2,099
Legal and professional fees	-	46,049	46,049	36,322
Telephone	-	2,453	2,453	2,968
Postage and stationery	-	21,822	21,822	27,791
Licences and subscriptions	4,088	2,981	7,069	3,555
Bank charges	-	14,610	14,610	17,634
Sundry expenses	-	13,602	13,602	16,786
Marketing and advertising costs	-	4,800	4,800	1,774
Youth Music activity	17,361	83,312	100,673	59,741
Gordon Robinson funded activity	32,540	-	32,540	103,540
Instrument purchases	-	20,479	20,479	26,614
Wages and salaries	1,697,552	1,751,357	3,448,909	3,655,935
National insurance	114,051	117,665	231,716	268,482
Pension cost	192,937	260,288	453,225	487,773
Depreciation	25,010	-	25,010	25,010
Total 2020	2,115,539	2,586,814	4,702,353	5,123,600
Total 2019	1,261,210	3,862,390	5,123,600	

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NOTES TO THE FINANCIAL STATEMENTS
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Analysis of expenditure on charitable activities - prior year

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
FRS 102 pension cost	17,000	-	17,000	(3,000)
Music centre expenditure	2,215	169,076	171,291	215,976
Recruitment and other staff costs	-	30,902	30,902	26,917
Rates and water	-	6,676	6,676	6,164
Light and heat	-	18,513	18,513	13,900
Repairs and maintenance	-	121,734	121,734	104,249
Insurance	-	21,460	21,460	20,945
Cleaning	-	2,099	2,099	1,849
Legal and professional fees	-	36,322	36,322	36,062
Telephone	-	2,968	2,968	(1,720)
Postage and stationery	-	27,791	27,791	21,472
Licences and subscriptions	-	3,555	3,555	3,417
Bank charges	-	17,634	17,634	16,841
Sundry expenses	-	16,786	16,786	5,927
Marketing and advertising costs	-	1,774	1,774	1,916
Youth Music activity	-	59,741	59,741	111,679
Gordon Robinson funded activity	103,540	-	103,540	106,220
Instrument purchases	-	26,614	26,614	35,781
Wages and salaries	1,113,445	2,542,490	3,655,935	3,651,384
National insurance	-	268,482	268,482	255,330
Pension cost	-	487,773	487,773	567,507
Depreciation	25,010	-	25,010	29,717
Total 2019	1,261,210	3,862,390	5,123,600	5,228,533
Total 2018	1,293,508	3,935,025	5,228,533	

9. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	12,000	12,000

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NOTES TO THE FINANCIAL STATEMENTS
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10. Staff costs

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wages and salaries	3,448,909	3,655,935	3,448,909	3,655,935
National insurance	231,716	268,482	231,716	268,482
Pension costs (Note 21)	485,225	504,773	485,225	504,773
	4,165,850	4,429,190	4,165,850	4,429,190

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

	Group 2020 No.	Group 2019 No.
Teachers	118	122
Administration	12	11
Support	3	3
	133	136

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1

The key management personnel of the trust comprise the senior management team as listed on page 11. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the trust was £446,861 (2019 - £441,137).

The charity had an additional 123 (2019 - 122) employees paid on a casual basis.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

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11. Trustees' remuneration and expenses (continued)

In accordance with normal commercial practice the Charity has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on charity business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 was £485 (2019 - £296).

12. Tangible fixed assets

Group and Charity

	Freehold property £	Property improvements £	Fixtures and fittings £	Music equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2019	495,000	93,306	6,270	325,028	3,360	922,964
At 31 August 2020	495,000	93,306	6,270	325,028	3,360	922,964
Depreciation						
At 1 September 2019	59,400	21,897	6,270	291,458	3,360	382,385
Charge for the year	9,900	4,665	-	10,445	-	25,010
At 31 August 2020	69,300	26,562	6,270	301,903	3,360	407,395
Net book value						
At 31 August 2020	425,700	66,744	-	23,125	-	515,569
At 31 August 2019	435,600	71,409	-	33,570	-	540,579

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13. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Due within one year				
Trade debtors	14,404	11,917	14,404	11,917
Amounts owed by group undertakings	-	-	-	10,024
Prepayments and accrued income	373,439	193,626	360,449	193,626
	387,843	205,543	374,853	215,567

14. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	-	4,113	-	4,113
Other taxation and social security	50,503	88,381	50,503	88,381
Other creditors	80,471	6,972	80,471	6,972
Accruals and deferred income	464,791	431,755	464,041	415,369
	595,765	531,221	595,015	514,835

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NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds					
Designated funds					
Instrument purchase	76,413	5,780	(10,236)	-	71,957
Building maintenance	446,538	-	(625)	-	445,913
	<u>522,951</u>	<u>5,780</u>	<u>(10,861)</u>	<u>-</u>	<u>517,870</u>
General funds					
General fund	<u>663,263</u>	<u>2,583,283</u>	<u>(2,626,707)</u>	<u>-</u>	<u>619,839</u>
Total Unrestricted funds	<u>1,186,214</u>	<u>2,589,063</u>	<u>(2,637,568)</u>	<u>-</u>	<u>1,137,709</u>
Restricted funds					
Fee remission fund	113,501	-	(8,336)	-	105,165
Arts Council and other grants	48,572	1,153,077	(1,126,558)	-	75,091
The Gordon Robinson Memorial Trust	-	32,540	(32,540)	-	-
Government Furlough grants	-	891,095	(891,095)	-	-
Pension reserve	-	1,000	(32,000)	31,000	-
	<u>162,073</u>	<u>2,077,712</u>	<u>(2,090,529)</u>	<u>31,000</u>	<u>180,256</u>
Restricted fixed assets					
Buildings and Assets	<u>540,579</u>	<u>-</u>	<u>(25,010)</u>	<u>-</u>	<u>515,569</u>
Total Restricted funds	<u>702,652</u>	<u>2,077,712</u>	<u>(2,115,539)</u>	<u>31,000</u>	<u>695,825</u>
Total of funds	<u>1,888,866</u>	<u>4,666,775</u>	<u>(4,753,107)</u>	<u>31,000</u>	<u>1,833,534</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Designated funds						
Instrument purchase	70,194	-	-	6,219	-	76,413
Building maintenance	446,538	-	-	-	-	446,538
	<u>516,732</u>	<u>-</u>	<u>-</u>	<u>6,219</u>	<u>-</u>	<u>522,951</u>
General funds						
General fund	631,927	3,972,767	(3,935,212)	(6,219)	-	663,263
Total Unrestricted funds	<u>1,148,659</u>	<u>3,972,767</u>	<u>(3,935,212)</u>	<u>-</u>	<u>-</u>	<u>1,186,214</u>
Restricted funds						
Fee remission fund	113,501	-	-	-	-	113,501
Arts Council and other grants	49,231	1,115,001	(1,115,660)	-	-	48,572
The Gordon Robinson Memorial Trust	-	103,540	(103,540)	-	-	-
Pension reserve	-	5,000	(17,000)	-	12,000	-
	<u>162,732</u>	<u>1,223,541</u>	<u>(1,236,200)</u>	<u>-</u>	<u>12,000</u>	<u>162,073</u>
Restricted fixed assets						
Buildings and Assets	565,589	-	(25,010)	-	-	540,579
Total Restricted funds	<u>728,321</u>	<u>1,223,541</u>	<u>(1,261,210)</u>	<u>-</u>	<u>12,000</u>	<u>702,652</u>
Total of funds	<u>1,876,980</u>	<u>5,196,308</u>	<u>(5,196,422)</u>	<u>-</u>	<u>12,000</u>	<u>1,888,866</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2020 £
Designated funds	522,951	5,780	(10,861)	-	517,870
General funds	663,263	2,583,283	(2,626,707)	-	619,839
Restricted funds	162,073	2,077,712	(2,090,529)	31,000	180,256
Restricted fixed assets	540,579	-	(25,010)	-	515,569
	1,888,866	4,666,775	(4,753,107)	31,000	1,833,534

Summary of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Designated funds	516,732	-	-	6,219	-	522,951
General funds	631,927	3,972,767	(3,935,212)	(6,219)	-	663,263
Restricted funds	162,732	1,223,541	(1,236,200)	-	12,000	162,073
Restricted fixed assets	565,589	-	(25,010)	-	-	540,579
	1,876,980	5,196,308	(5,196,422)	-	12,000	1,888,866

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Restricted fixed assets 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	515,569	-	515,569
Current assets	775,931	-	1,137,799	1,913,730
Creditors due within one year	(595,675)	-	(90)	(595,765)
Total	180,256	515,569	1,137,709	1,833,534

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Restricted funds 2019 £	Restricted fixed assets 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	540,579	-	540,579
Current assets	162,073	-	1,717,435	1,879,508
Creditors due within one year	-	-	(531,221)	(531,221)
Total	162,073	540,579	1,186,214	1,888,866

18. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(86,332)	(114)
Adjustments for:		
Depreciation charges	25,010	25,010
Dividends, interests and rents from investments	(4,870)	(6,503)
Decrease/(increase) in debtors	(182,300)	75,225
Increase in creditors	64,544	73,032
Defined benefit pension scheme cost less contributions payable	31,000	12,000
Net cash provided by/(used in) operating activities	(152,948)	178,650

19. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	1,525,887	1,673,965
Total cash and cash equivalents	1,525,887	1,673,965

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20. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,673,965	(148,078)	1,525,887
	<u>1,673,965</u>	<u>(148,078)</u>	<u>1,525,887</u>

21. Pension commitments

The Group operates a defined benefit pension scheme.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website

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21. Pension commitments (continued)

(<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £12,000 (2019: £10,000), of which employer's contributions totalled £7,000 (2019: £3,000) and employees' contributions totalled £5,000 (2019: £7,000). The agreed contribution rates for future years are between 19.5% and 24.6% for employers and between 5.5% and 12.5% for employees.

In line with FRS102 the net asset as at 31 August 2020 has been reduced by £38,000 (2019: £71,000) to £nil as the charitable company is unable to recover the surplus through refunds or reduced contributions in future periods. The below disclosures are stated after the reduction.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 August 2020	At 31 August 2019
	%	%
Discount rate	1.7	1.8
Expected return on assets	1.7	1.8
Future salary increases	2.8	2.6
Future pension increases	2.3	2.3

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21. Pension commitments (continued)

	At 31 August 2020 Years	At 31 August 2019 Years
Mortality rates (in years)		
- for a male aged 65 now	21.5	21.2
- at 65 for a male aged 45 now	22.3	22.3
- for a female aged 65 now	23.7	23.3
- at 65 for a female aged 45 now	25.1	24.7

Sensitivity analysis

	At 31 August 2020 £	At 31 August 2019 £
Discount rate +0.5%	110,000	133,000
Discount rate -0.5%	(110,000)	(133,000)
Mortality assumption - 1 year increase	40,000	40,000
Mortality assumption - 1 year decrease	(40,000)	(40,000)
CPI rate +0.5%	99,000	109,000
CPI rate -0.5%	(99,000)	(109,000)

The Group's share of the assets in the scheme was:

	At 31 August 2020 £	At 31 August 2019 £
Equities	940,000	1,006,000
Corporate bonds	218,000	237,000
Property	164,000	126,000
Cash and other liquid assets	41,000	28,000
Total fair value of assets	1,363,000	1,397,000

The actual return on scheme assets was £-14,000 (2019 - £68,000).

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21. Pension commitments (continued)

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2020	2019
	£	£
Current service cost	(39,000)	(15,000)
Past service cost	-	(5,000)
Interest income	25,000	37,000
Interest cost	(24,000)	(32,000)
Total amount recognised in the Consolidated statement of financial activities	(38,000)	(15,000)

Movements in the present value of the defined benefit obligation were as follows:

	2020
	£
Opening defined benefit obligation	1,397,000
Interest cost	24,000
Contributions by scheme participants	5,000
Actuarial (gains)/losses	(70,000)
Benefits paid	(32,000)
Past service costs	-
Current service cost	39,000
Closing defined benefit obligation	1,363,000

Movements in the fair value of the Group's share of scheme assets were as follows:

	2020
	£
Opening fair value of scheme assets	1,397,000
Expected return on assets	25,000
Actuarial (losses)/gains	(39,000)
Contributions by employer	7,000
Contributions by scheme participants	5,000
Benefits paid	(32,000)
Closing fair value of scheme assets	1,363,000

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21. Pension commitments (continued)

The Group has an unrecognised surplus of £38,000 (2019 - £71,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

22. Operating lease commitments

At 31 August 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Not later than 1 year	1,200	1,200	1,200	1,200
Later than 1 year and not later than 5 years	3,300	4,500	3,300	4,500
	4,500	5,700	4,500	5,700

23. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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24. Related party transactions

Mrs Joan Kirkbride is a Governor of Hospital and Outreach Education (HOE). During the year, music services to the value of £7,954 (2019 - £8,496) were provided to HOE and at the year end, £180 was due from HOE (2019 - £180).

Mr Peter Smalley is a trustee of The Gordon Robinson Memorial Trust (GRMT). During the year ended 31 August 2020 the charity received donations of £32,540 (2019 - £103,540) from GRMT to support musical activities for the gifted and talented and those in financial need.

Dr Jamie Clarke is the Executive Head Teacher and a director of Tove Learning Trust. During the year the charity made sales of £68,229 to four of the schools comprising Tove Learning Trust (2019 - £95,928). No balance was outstanding at the year end (2019 - £Nil).

Mr Iain Massey is a Headteacher of Sponne School which is part of Tove Learning Trust. During the year the charity made sales of £47,308 (2019 - £73,415) to Tove Learning Trust. No balance was outstanding at the year end (2019 - £Nil).

Mrs Morcea Walker is a governor of Northampton School for Boys. During the year the charity made sales of £50,457 (2019 - £76,457). No balance was outstanding at the year end (2019 - £Nil).

Mr Roger Griffiths is a governor of Yelvertoft Primary School. During the year the school became one of the charity's direct billing schools with most sales being made to individual parents as opposed to direct to the school. The charity made sales of £167 (2019 - £2,145) to Yelvertoft Primary School. No balance was outstanding at the year end (2019 - £Nil).

Mrs Renuka Popat is the Head Teacher of The Abbey Primary School. During the year the charity made sales of £6,562 (2019 - £9,732) to The Abbey Primary School. No balance was outstanding at the year end (2019 - £Nil).

Mr Dudley Hughes is a director of The Manor Learning Trust which is a multi academy trust based in Raunds and which brings together five schools where the charity provides services. During the year, the charity made sales of £13,907 (2019 - £36,457). No balance was outstanding at the year end (2019 - £Nil).

Mr Mark Malitskie is the Financial Officer of the trust. His wife and his son are teachers and employees of the trust. His daughter works for a London based firm of architects DMA who, in the year under review performed design work for the trust in relation to its proposed office and loft extensions. The cost to the charity of the work performed was £3,100 (2019 - £13,512). No balance was outstanding at the year end (2019 - £Nil).

Mr Andrew Kirkwood is a member of the senior management team. His wife is an employee of the trust. He has 2 children who attend classes and have instruments on loan. The total cost of this for the year ended 31 August 2020 is £1,310 (2019 - £1,465).

Mrs Anna Denny is a member of the senior management team. She has 2 children who attend classes and who have instruments on loan. The total cost of this for the year ended 31 August 2020 is £1,400 (2019 - £1,985).

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The Trustees and senior management of the charity have interests in local organisations, schools and musical events. It is inevitable that the charity will provide teaching and concert services and have working arrangements with organisations in which they, or their related parties, may have an interest. All such interests are disclosed at Trustee meetings, and such individuals do not participate in decisions relating to the services offered to such organisations. All musical services are provided on a commercial basis and on the same terms for all services and events. None of the Trustees or senior management have received any benefit from such arrangements during the year.

25. Post balance sheet event

Effects of coronavirus pandemic

The coronavirus pandemic continues to have a significant effect on the trust. Up until December 2020, schools had allowed NMPAT teachers onto their premises and we were able to deliver about 60% of normal teaching to our school based customers in the first term. Earned income from individual tuition, county group membership and centres was running at around half that of the previous year. The 3rd National lockdown which started on January 5th has closed down most of NMPAT's earned income for the second term.

The Coronavirus Job Retention Scheme has helped secure the medium term future of the Trust. The extension of the scheme together with the change from 'all or nothing' to 'flexible furlough' helped the Trust modify its offering to all customers and is the principal method by which the Trust has managed to match its costs and revenue earning capability.

In addition, the Trust reached an arrangement with its teaching staff such that all furloughed time is paid at 80% of normal salary.

On the assumption that the JRS continues until the end of April 2021 and taking into account actions to eliminate all non essential expenditure, the Trust expects to show a full year 2021 deficit of approximately £340,000. With unrestricted reserves of £1.1m at the end of last year and current cash resources of £1.8m, the trust has sufficient resources to cover anticipated losses between now and the new academic year which starts in September 2021.

The working assumption of the trustees is that chargeable teaching activities will start again in April 2021. To the extent that assumption cannot be supported, the Trust will consider all available cost reduction actions so as to align its cost base to any new ongoing earnings capability.

Principal Risks and Uncertainties

- Coronavirus threat: Summer 2021 – that an extended period of income reduction might result in the need to reduce teaching staff numbers leading to a loss of experience and capacity to recover.
- Coronavirus threat: Summer 2021 – that relationships with schools and parents will suffer as a result of reduced or lost contact.
- Coronavirus mitigations: Spring and summer 2021 – protect and retain staff through a combination of continual contact and briefings as well as offering continued employment with the support of the Job Retention Scheme.
- Coronavirus mitigations: Spring and summer 2021 – retain sufficient administrative capacity so as to maintain a high level of communication and co-operation with our schools and our direct customers.