

Registered number: 07738151
Charity number: 1145643

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021**

Trustees	Mrs Joan Kirkbride, Chairman ¹ Dr Jamie Clarke Cllr Alison Eastwood (appointed 23 September 2021) Mrs Georgina Fordham Mr Clive Gresham ¹ Mr Roger Griffiths Cllr Dudley Hughes Mr Iain Massey Mrs Renuka Popat Mr Trevor Shipman ¹ Mrs Morcea Walker Northamptonshire County Council (appointment terminated 23 September 2021) ¹ Members of the Finance Committee
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 2021

Solicitors	Bates Wells Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
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NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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 2021.

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

The unfolding pandemic led to a year of constantly changing plans as advice to schools and to organisations such as NMPAT – who also work in 'out-of-school settings' - changed during the year. Early indications were reasonably favourable as the 'Eat Out to Help Out' scheme in early August 2020 led to a more generalised easing of lockdown restrictions. Within weeks of the return to teaching however, the second national lockdown came into force, schools changed their arrangements and NMPAT went on-line!

We had been preparing our on-line capability since the summer including the organisation wide adoption of MS Office 365 and MS Teams as a method of communication. We were able to offer on-line teaching capability in each of our areas of activity and we are proud of the technological response we made to the dearth of face-to-face teaching which resulted. As time went on, it became clear that many students were spending too much time learning on-line and by the summer 2021, we began to see significant resistance by the schools themselves to on-line teaching and we estimate that perhaps only 50% of schools remained engaged and committed to on-line teaching by that time.

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In common with all other organisations, NMPAT re-modelled its building with one-way systems, screens between desks, screens in public facing areas, altered room layouts and 'Covid-19 Safe' guidelines. Office based staff switched to home working where possible. Staff were issued with PPE including the innovative use of 'pop up' screens incorporating clear plastic sheet as a barrier in place of the usual pre-printed advertising material. We also brought CO2 monitors into use at a very early stage of the pandemic and these helped identify risk prone areas as well as the clear benefits of adequate ventilation. Regular – at least weekly – asymptomatic testing was undertaken by all staff and this no doubt contributed to the relatively low sickness rate we experienced

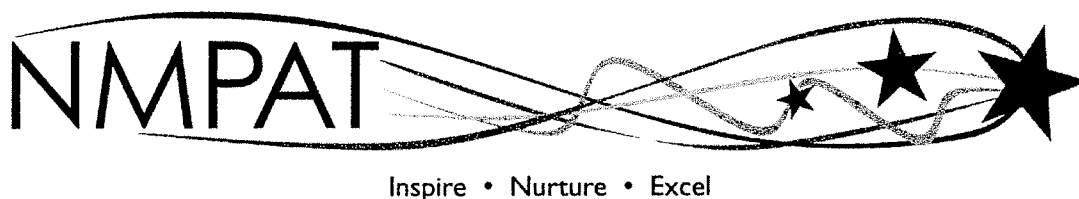
Activities were badly affected by the pandemic. The summer 2021 tours were cancelled at an early stage as were the residential courses. Many festivals and the Music for Youth Proms were also cancelled. Rutland Music Trust was unable to plan any activities during the year. NMPAT's usually full programme of concerts and events was decimated but we were able to hold a hugely successful Summer Festival of Music right at the end of the academic year. Although county groups met in restricted virtual sessions throughout, it was only towards the end of the year that we were able to return to a more normal (but still restricted in numbers) situation.

The pandemic had a major adverse effect on our school-based teaching as well as our ensembles and centres. Multiple lockdowns led to a reluctance in our school-based customers to restart teaching activities. School ensembles were closed down due to fears concerning the mixing of year groups and generalised risk. Vocal work in schools was lost for the entire year due to concerns over the spread of Covid-19 particles. A handful of Northamptonshire schools became so risk averse that no music teaching of any kind took place during the entire year and schools in Rutland stopped buying in our services altogether. Despite the best efforts of staff, recruitment of students in schools proved extremely challenging with no access to school assemblies, or opportunities to visit classes to give demonstrations – the traditional route for recruitment. It was only towards the end of the year that delivery of the Core and Extension roles began to be more widely accepted in schools. Although step 4 of the government's recovery plan was reached on 19th July 2021, this was too late to benefit 2021 results.

On the upside, vaccine uptake has cut short the pandemic as it affected the UK and, although many people have caught COVID-19 since 19th July 2021, the numbers falling seriously ill have fallen dramatically. As we entered the Autumn term 2021, teaching in schools re-started, together with clear signs of a recovery in 2021-22.

The support and comradeship of colleagues around the country has been an important source of strength during this most difficult period. East Midlands colleagues in MEHEM, and more geographically dispersed colleagues in Music Mark are important partners of NMPAT and their wisdom and counsel has been invaluable.

Principal Activities



Although significantly impacted by the pandemic, NMPAT was able to develop strategies for minimising the effects of the necessary curtailment of activities.

- The NMPositiviT campaign was launched. This ran for the whole year posting daily on Facebook, Twitter and Instagram attracting a national audience and commented on by the head of a major Academy chain as: 'demonstrating a clear sense of community and caring.'
- During summer 2020 and early on in the academic year, NMPAT created a significant on-line teaching resource which has remained available throughout the pandemic
- In an initiative shared with other MEHEM partners, NMPAT commissioned resources to support curriculum teaching in schools. These took the form of 9 table top videos which were made available on-line through YouTube and via our website
- Lockdown performances were delivered via a series of videos put together by incredibly dedicated and hard working production teams
- Unable to run its physical Saturday Centres, NMPAT went live on 4th July 2020 with its new Virtual Centre with over 300 people taking part. The Virtual Centre went on to run for the entire year with on-line breakout groups and regular attendance by some 200 students each week
- NMPAT rolled out a wellbeing programme in 16 schools (25 projects in all) and we also ran an anxiety management course of six online sessions to address wellbeing and mental health issues arising out of the pandemic
- Our recital teams moved online with occasional physical visits made to those schools who would let us in
- NMPAT has made a significant contribution to the MEHEM Uprising! project conducted in partnership with Birmingham City University. This project is aimed at improving musical opportunities for children and young people with additional needs in the East Midlands
- Successful primary and secondary forums were held in the February half term
- NMPAT's Inclusion project continued throughout the pandemic albeit on-line for part of the delivery but face-to-face where circumstances allowed

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FOR THE YEAR ENDED 31 AUGUST 2021

The receipt of grant from the Cultural Recovery Fund helped us to maintain capacity and capability and, although necessarily curtailed in the year under review, the Trust has since returned to running its full range of county ensembles encompassing orchestras, brass, wind and jazz bands, choirs, chamber ensembles, world music groups and a Youth Theatre. It also runs 12 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.

A fully funded Music Technology Project continued, currently working with young people in three secondary schools aimed at bringing music production and recording to young people who would not otherwise have had the opportunity to create their own music.

To deliver all of this, NMPAT employs a work force of 174 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 across 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.

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 2020-21 included:

- The development of online technical capacity and capability utilising MS Teams, Smart Music, Charanga VIP studio and Soundtrap
- Almost overnight adoption and switch into MS Office 365 with a steep learning curve in how to use its capabilities
- Maintained individual tuition at 80 percent of pre pandemic level
- Inclusion projects moved online
- Delivery of 100 First Access projects in the autumn term. Although no First Access project could be delivered in the spring term, 111 schools were given shorter projects in the summer term
- Vocal, brass and guitar department delivered online workshops where over 250 students benefited
- The annual film music composition competition was held in association with Screen Northants and adjudicated by Fiona Brice and Benjamin Till
- Successful CRF second round application £410k; £305k to cover costs; £105k to rebuild reserves
- We were able to hold a hugely successful Summer Festival of Music at the Derngate on 2nd to 4th July 2021 with each of the major county groups coming together for the weekend. The standard of performance was astonishing given the limited rehearsal opportunities
- New Early Years Key Stage 1 project- Little Stars- launched
- The Virtual Centre operated throughout the year and delivered two virtual performances with The Muppet Christmas Carol in December followed by 'NMPATricity' on 3rd July 2021 where the CTO were in a live link in a performance of 'With a Little Help from my Friends'

Independent Charitable Organisation

In its ninth 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 are not a meaningful statistic during this pandemic year but the Trust has maintained connections with and

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

support from nearly every school in the county during the schools shutdown and these connections have made it possible to re-establish teaching in nearly all schools from September 2021. Early indications are that demand in 2021-22 will be at least 90% of pre-pandemic levels.

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 2021 and a further roll-over for 2022-23 has been announced. A new National Plan for Music Education has been produced and is expected to be published in the Spring of 2022. The Trust's role as Hub lead partner will continue for a further year and a continuation of Hub funding has been announced, but exact figures not confirmed.



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 and the National Concert Band Festival

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- **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 benefitted from the support of the ACE through their funded programme, "Underpinning Hubs for the Future", enabling practical support for Hubs during the pandemic.

Supported using public funding by



**ARTS COUNCIL
ENGLAND**

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'. Separate Fund A support from Youth Music and the Gordon Robinson Memorial Trust has enabled the launch of "Little Stars", delivering with Early Years children and families in Northamptonshire, over the next two years.

YOUTH

MUSIC

NMPAT's partnership with Orchestras Live was put on hold during the pandemic, with the cessation of all face to face work. Plans for future projects are now being formulated with new regional producer Sooree Pillay.

ORCHESTRAS *Live*

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

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 and Vice Chair 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 the pandemic.



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. NMPAT led on a successful application to Youth Music to fund the MEHEM UpRising! project, a three year programme supporting SEND across the region, commencing in 2020.



Post pandemic, NMPAT is entering a new partnership agreement with the Royal Northern College of Music in Manchester which will see a rebuilding of close collaboration for staff and students with one of the country's leading conservatoires.



Fundraising and Development

The impact of the COVID19 pandemic cannot be overstated in terms of the challenges it has presented to NMPAT's financial resilience and our ability to secure funds from other sources. As much of the income secured by NMPAT, through fundraising sources, is related to delivery of project activity, the pandemic has impacted on our achievements and there have been fewer grants from Trusts and Foundations within this reporting period than in recent reporting years.

NMPAT has benefited significantly from a successful application to the second round of Arts Council England's Cultural Recovery Grant, at the beginning of 2021. With the objective "to support organisations as they transition back to a viable and sustainable operating model", NMPAT was granted a total amount of £409,790, of which £304,790 supported costs relating to staff delivery time and relaunching activities, instruments purchases, IT equipment, building maintenance and COVID related expenses. A further £105,000 was provided as a one off amount, to enable NMPAT to rebuild reserves to the equivalent of eight weeks' turnover pre COVID. The amount of grant recognised in these accounts is £364,407 leaving £45,383 to be recognised in 2022.

The Constance Travis Charitable Trust, has continued to contribute and support the Music Technology programme, launched in the autumn of 2019, prior to the pandemic. £50,000 of support has been received in each of 2019, 2020, and now 2021. This fully funded project engages with young people through the medium of music technology, through collaboration with schools which do not have a strong existing

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connection with traditional music making, in Kettering, Corby, Wellingborough and Northampton. Partnerships with Roland, Steinberg, and TIME (Technology in Music Education), have further enabled ongoing access to software, and staff training. Some project working was able to move to online delivery, during lockdowns.

NMPAT's Musical Inclusion "Industrious" programme continued into the third year of support from Youth Music – the Fund B award of £137,193 over three years, commenced in November 2018. Some delivery successfully moved online during the pandemic, including Relaxed Singalongs and Music Club sessions. However, delivery has been greatly impacted by the pandemic, and there have been delays to planned programmes. Grant funders have been largely supportive and sympathetic, with some variation made to grant payment schedules. Youth Music have confirmed an extension of the grant period to August 2022. Children in Need have provided additional grant support, as a response to the pandemic. BFSS deferred their grant support, which will now conclude in summer 2022.

The Gordon Robinson Memorial Trust continues to support an annual presentation of Fellowships, Awards and Bursaries, to individual young people, participating in NMPAT activities. The Gordon Robinson Memorial Trust will also provide £10,000 of support to launch an Early Years programme, in 2021. It is recognised that, as a consequence of the financial crisis resulting from the pandemic, young people are in need of financial assistance, to support and enable access to music making activities, now, more than ever.

NMPAT continues to maintain contact with a network of Ambassadors. NMPAT is well supported by the Lord Lieutenant, High Sheriff(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 charitable activities.

Gift Aid relief on membership subscriptions continues to form a valuable component of NMPAT's income. Overall Gift Aid relief amounted to £50,320 in 2020-21.

NMPAT remains 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.

Ongoing fundraising efforts focus on generating income from trusts, foundations and similar; on building relationships with individuals and organisations within Northamptonshire, with a long term approach to securing individual giving and donation income; and from sponsorship. In recent years, prior to the pandemic, this approach had brought significant return.

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, increased NMPAT's capacity to draw in non-government funds.

NMPAT will continue to develop its fundraising for project initiatives and components, from trusts,

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

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.

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.

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, overseeing the effective and efficient use of funds provided by the Arts Council, 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 increased the frequency of its meetings as conditions required. These additional meetings considered the accounting and cash flow forecasts and results on a frequent basis.

In August 2021 there were eleven trustees. The Chief Executive and Financial Officer also attend board meetings by invitation. The board has appointed a clerk to take minutes.

The trustees receive no remuneration for their services.

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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. 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.

The trustees voted to amend the governing Articles of Association on 17th April 2021. The change was prompted by the division of Northamptonshire County Council (NCC) into two unitary councils on 1st April 2021. Although NCC had been a Member and had nominated a Director since the formation of the trust in 2011, the trustees formed the view that it was no longer necessary to maintain such a formal link and the Articles were amended with the effect that there is no longer any mandatory council representation on the board.

All trustees are checked through the Disclosure and Barring Service (DBS) and 'Fit and Proper Person' checks are carried out on all new trustee appointments. Trustees are appointed for three years. Trustees are subject to retirement by rotation but are eligible for re-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.

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 are introduced to the organisation and given the chance to meet with key staff and to attend performances by students. All trustees are provided with copies of their terms of reference, 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 is gradual, induction tends to be done informally and is 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 and the three extension roles of the National Music Plan:

- 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

Objectives, Strategies and Activities

The primary focus of the Trust during the period ended 31 August 2021 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

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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 delivery of an on-line Virtual Music Centre together with maintenance of the provision for 13 Regional Music and Performing Arts Centres once the pandemic is over
- 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 and operational key performance indicators to monitor its operational success and financial stability.

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.

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Financial review

As we started the new academic year, the loss of schools, centres and tuition income caused by the tightening Coronavirus restrictions and the November 'lockdown 2' led to a 35% fall in income when compared with the previous year. Income remained significantly impacted in the Autumn and Spring terms but by the time we reached the Summer term 2021, schools activity had recovered significantly and earned income as a whole ended the year at £2.01m which was 40% down on pre-Covid 19 levels.

Government support in the form of the Job Retention Scheme (flexible furlough) grants was invaluable as we claimed £750,800 in JRS support for the year as a whole. Crucially important was government support in the form of the Cultural Recovery Grant which is reported in more detail in the Fundraising and Development section of this report. In the year to 31st August 2021, we recorded CRF income of £364,407 and CRF costs of £205,707. Of the £364,407, £105,000 represented grant enabling us to rebuild our reserves to the equivalent of eight weeks' pre-Covid19 turnover. Overall income (including these grant sources) fell just £0.1m from £4.7m to £4.6m

Consultations with our teaching staff led to a reduction in contracted hours and consultations with the whole staff saw an overall cut in pay which applied until May. These actions, together with natural retirements at the end of August 2020, led to an overall drop in our salaries bill from £4.2m to £3.8m – a reduction of 10%. This tremendous show of support from our staff helped safeguard the organisation and keep it in a strong position coming out of the severe restrictions faced in 2020-21.

From the outset of the pandemic, we increased the focus of the Finance Committee and switched into weekly cash flow forecasting and frequent financial scenario planning. Starting in September 2020 with a strong balance sheet and significant cash resources, our aim was to balance our books as much as possible and to maintain sufficient resources so as to be able to deliver services as restrictions eased.

Grants and donations remained strong throughout the year with project based grants such as Music Production and Industrious contributing £144k and general grants and donations contributing £54k.

The switch to online teaching in schools and ensembles tested our operational as well as financial systems and we quickly developed new systems to capture online hours taught as well as flexible furlough hours.

The strong end to the year resulting from higher than anticipated school demand, together with the invaluable contributions from government through the (extended) JRS and CRF grants, taken together with the tremendous support from staff in taking pay cuts and deferring increases, resulted in a surplus for the year of £224,279. This allowed us to end the year with reserves of £2.2m and cash of £1.95m giving us a buffer against the uncertainties which continue to prevail.

During the year, the trustees established a dedicated re-stimulation fund amounting to £260,000 the aim of which is to create capacity and future demand for our services as we recover from the pandemic. The intention is to identify a number of projects which will stimulate demand, replace teachers who have retired and develop our early years capabilities. These projects will form activity in 2021/22.

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

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

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 the years from 2020-21 to 2022-23 but there is no confirmation after 2022-23. The Trust's chief executive is in dialogue with the DfE through Music Mark regarding the publication of the new National Plan for Music Education, which is now anticipated during the Spring of 2022. Funding from the Department for Education for delivery of the National Plan for Music Education was £1,119,008. Grant funding for 2020-21 represented almost 25% of total income.

The most significant costs associated with the Trust are salaries and these, along with travel expenses associated with a large rural county accounted for 84% 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 £97,000. 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 2021 of £2,153,813 (2020 – £1,833,534) comprising £648,166 (2020 - £695,825) of restricted funds, £780,198 (2020 - £517,870) of designated funds and £725,449 (2020 - £619,839) 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. During the course of the pandemic, high availability to liquid funds has been maintained.

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

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

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, 2020 and 2021 but no significant demographic changes have been made and the gender pay gap reported in 2018 is likely to have remained substantially the same.

Principal Risks and Uncertainties

Through the Trust's risk management procedures, the Finance Committee regularly reviews the risk registers, considers the Trust's principal risks and the actions being taken to mitigate those risks. 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
- Staff shortages due to the risks of contracting Covid-19
- Changes in the cost structure – Teachers Pensions have announced a significant increase in employer premiums from April 2019
- Reliance on a bespoke IT operating system

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 and focuses on the matching of demand with capacity to deliver
- 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 March 2022. Lobbying for a continuation of that support is in hand
- Lobbying for support of the importance of the music curriculum within schools

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

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

- Availability of an IT disaster recovery plan

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 and expand musical and educational opportunities for the children and young people of the county, by preserving and investing in the infrastructure for tuition and ensemble experiences, 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
(A company limited by guarantee)

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

- 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 2021 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 2021 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

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

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

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

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

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.

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.

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)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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 members, 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 members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and 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

Northampton, United Kingdom

Date: 20 April 2022

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 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	-	24,910	24,910	27,939
Charitable activities	4	2,309,721	2,182,548	4,492,269	4,557,496
Other trading activities	5	-	44,964	44,964	75,470
Investments		-	1,288	1,288	5,870
Total income		2,309,721	2,253,710	4,563,431	4,666,775
Expenditure on:					
Raising funds	7	-	28,340	28,340	50,754
Charitable activities	8	2,394,380	1,857,432	4,251,812	4,702,353
Total expenditure		2,394,380	1,885,772	4,280,152	4,753,107
Net movement in funds before other recognised gains		(84,659)	367,938	283,279	(86,332)
Other recognised gains:					
Actuarial gains on defined benefit pension schemes	21	37,000	-	37,000	31,000
Net movement in funds		(47,659)	367,938	320,279	(55,332)
Reconciliation of funds:					
Total funds brought forward		695,825	1,137,709	1,833,534	1,888,866
Net movement in funds		(47,659)	367,938	320,279	(55,332)
Total funds carried forward		648,166	1,505,647	2,153,813	1,833,534

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07738151

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	490,442	515,569
		<u>490,442</u>	<u>515,569</u>
Current assets			
Debtors	13	484,654	387,843
Cash at bank and in hand		1,953,029	1,525,887
		<u>2,437,683</u>	<u>1,913,730</u>
Creditors: amounts falling due within one year	14	(774,312)	(595,765)
Net current assets		<u>1,663,371</u>	<u>1,317,965</u>
Total net assets		<u><u>2,153,813</u></u>	<u><u>1,833,534</u></u>
Charity funds			
Restricted funds:			
Restricted funds	15	157,724	180,256
Restricted fixed assets	15	490,442	515,569
		<u>648,166</u>	<u>695,825</u>
Total restricted funds	15	648,166	695,825
Unrestricted funds	15	1,505,647	1,137,709
Total funds		<u><u>2,153,813</u></u>	<u><u>1,833,534</u></u>

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07738151

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

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: 24th March 2022

The notes on pages 30 to 55 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 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	490,442	515,569
		<u>490,442</u>	<u>515,569</u>
Current assets			
Debtors	13	517,917	374,853
Cash at bank and in hand		1,894,451	1,507,057
		<u>2,412,368</u>	<u>1,881,910</u>
Creditors: amounts falling due within one year	14	(773,562)	(595,015)
Net current assets		<u>1,638,806</u>	<u>1,286,895</u>
Total net assets		<u><u>2,129,248</u></u>	<u><u>1,802,464</u></u>
Charity funds			
Restricted funds:			
Restricted funds	15	157,724	180,256
Restricted fixed assets	15	490,442	515,569
Total restricted funds	15	<u>648,166</u>	<u>695,825</u>
Unrestricted funds	15	1,481,082	1,106,639
Total unrestricted funds	15	<u>1,481,082</u>	<u>1,106,639</u>
Total funds		<u><u>2,129,248</u></u>	<u><u>1,802,464</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 surplus for the year was £385,784 (2020 – deficit of £41,900).

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07738151

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

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

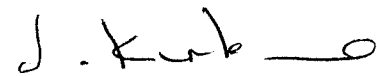
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However, an audit is required in accordance with section 151 of the Charities Act 2011.

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: 24th March 2022

The notes on pages 30 to 55 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 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	18	425,854	(152,948)
		<hr/>	<hr/>
Cash flows from investing activities			
Dividends, interests and rents from investments		1,288	4,870
		<hr/>	<hr/>
Net cash provided by investing activities		1,288	4,870
		<hr/>	<hr/>
Cash flows from financing activities			
Change in cash and cash equivalents in the year		427,142	(148,078)
Cash and cash equivalents at the beginning of the year		1,525,887	1,673,965
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	19	1,953,029	1,525,887
		<hr/> <hr/>	<hr/> <hr/>

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A Company Limited by Guarantee)

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

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.

Based on these assessments and having regard to resources available to the entity, the Trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the Trustees Report and accounts.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A Company Limited by Guarantee)

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

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.

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
(A Company Limited by Guarantee)

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

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.

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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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FOR THE YEAR ENDED 31 AUGUST 2021

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 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Gifts and donations	24,910	24,910	27,939

Income from donations and legacies - prior year

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Gifts and donations	27,939	27,939	48,164

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NOTES TO THE FINANCIAL STATEMENTS
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4. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Music tuition	-	2,013,228	2,013,228	2,161,645
Grant income from Arts Council	1,119,008	-	1,119,008	1,117,987
Cultural Recovery Fund	266,858	97,549	364,407	-
Courses	-	1,870	1,870	71,410
Tours	-	-	-	26,531
Examination fees	-	19,581	19,581	50,607
Gift aid income	-	50,320	50,320	82,382
Grant income from the Industrious Project	94,921	-	94,921	57,609
Grant income from the Gordon Robinson Memorial Trust	29,080	-	29,080	32,540
Other grant income	750,800	-	750,800	921,695
Music production grant	49,054	-	49,054	35,090
Total 2021	2,309,721	2,182,548	4,492,269	4,557,496
Total 2020	2,076,712	2,480,784	4,557,496	

Gift aid has been claimed on membership subscriptions for County Groups and Saturday Centres. Of the income recognised in 2021, £29,568 relates to the period to 31 August 2021.

Other grant income includes £750,800 (2020 - £891,095) in relation to government grants receivable under the job retention scheme.

Income from the Industrious Project includes grant income from Youth Music and activities directly generated.

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Income from charitable activities - prior year

	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	

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Concerts, coaches and CDs	6,375	6,375	28,682
Other project income	4,467	4,467	-
Conference	-	-	1,820
Miscellaneous income	1,088	1,088	1,298
Lettings income	6,700	6,700	12,325
Musical instrument repair	3,984	3,984	5,780
Software sales	22,350	22,350	25,565
Total 2021	44,964	44,964	75,470
Total 2020	75,470	75,470	

Income from fundraising events - prior year

	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	

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Grants

	2021 £	2020 £
The Group recognises financial assistance from various funders as follows:		
Arts Council England, National Lottery Project Grant	-	14,540
BBC Children in Need	9,840	11,875
British and Foreign School Society	12,740	-
Constance Travis Charitable Trust	50,000	50,000
David Laing Foundation	1,000	200
Kirby Laing Foundation	-	5,000
Debbie Smith	-	1,571
D'Oyly Carte	4,000	3,300
Friends of Northamptonshire Music and Performing Arts Trust	-	3,792
Kettering and District Eisteddfod	4,786	-
Local Giving	4,038	4,996
N. Clube	1,000	-
Northampton Borough Council	-	25,000
Other Donations	6,663	19,549
Rotary West	-	1,200
Sir Andrew Martin Trust	1,000	-
Spirit of 2012 - Carers project	-	13,470
The Chartered Accountants Livery Charity	3,000	-
The Frederick and Phyllis Cann Trust	-	5,000
The Gordon Robinson Memorial Trust	29,080	31,340
Virgin Money Giving	1,143	3,741
Youth Music	34,298	41,158
Accounting adjustments & deferrals	35,377	(29,494)
	197,965	206,238

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7. Analysis of expenditure on raising funds

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Concerts, coaches and CDs	382	382	23,217
Conference	250	250	2,117
Miscellaneous	27,708	27,708	25,420
	<u>28,340</u>	<u>28,340</u>	<u>50,754</u>

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure on charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
FRS 102 pension cost	37,000	-	37,000	32,000
Music centre expenditure	-	24,286	24,286	138,548
Recruitment and other staff costs	-	19,772	19,772	22,415
Rates and water	-	4,966	4,966	6,950
Light and heat	-	15,395	15,395	15,928
Repairs and maintenance	-	23,410	23,410	40,391
Insurance	-	22,296	22,296	20,310
Cleaning	-	2,861	2,861	2,854
Legal and professional fees	-	37,888	37,888	46,049
Telephone	-	4,133	4,133	2,453
Postage and stationery	-	14,963	14,963	21,822
Licences and subscriptions	-	3,943	3,943	7,069
Bank and card charges	-	11,272	11,272	14,610
Equality, Diversity and Inclusion	-	2,400	2,400	-
Sundry expenses	-	3,131	3,131	13,602
Marketing and advertising costs	-	-	-	4,800
Youth Music activity	79,243	-	79,243	100,673
Music Production expenditure	13,335	-	13,335	-
Gordon Robinson funded activity	29,080	-	29,080	32,540
OHMI Project	-	5,000	5,000	-
Cultural Recovery Fund	205,707	-	205,707	-
Instrument purchases	348	6,328	6,676	20,479
Wages and salaries	2,004,540	1,063,191	3,067,731	3,448,909
National insurance	-	216,815	216,815	231,716
Pension cost	-	375,382	375,382	453,225
Depreciation	25,127	-	25,127	25,010
Total 2021	2,394,380	1,857,432	4,251,812	4,702,353
Total 2020	2,115,539	2,586,814	4,702,353	

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Analysis of expenditure on charitable activities - prior year

	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 and card 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	

9. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	12,000	12,000

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10. Staff costs

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	3,067,731	3,448,909	3,067,731	3,448,909
National insurance	216,815	231,716	216,815	231,716
Pension costs	412,382	485,225	412,382	485,225
	<u>3,696,928</u>	<u>4,165,850</u>	<u>3,696,928</u>	<u>4,165,850</u>

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

	Group 2021 No.	Group 2020 No.
Teachers	110	118
Administration	12	12
Support	3	3
	<u>125</u>	<u>133</u>

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

	Group 2021 No.	Group 2020 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.
The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the trust was £477,678 (2020 - £446,861).

The charity had an additional 49 (2020 - 123) employees paid on a casual basis.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £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 2021 was £716 (2020 - £485).

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 2020	495,000	93,306	6,270	325,028	3,360	922,964
At 31 August 2021	495,000	93,306	6,270	325,028	3,360	922,964
Depreciation						
At 1 September 2020	69,300	26,562	6,270	301,903	3,360	407,395
Charge for the year	9,900	4,666	-	10,561	-	25,127
At 31 August 2021	79,200	31,228	6,270	312,464	3,360	432,522
Net book value						
At 31 August 2021	415,800	62,078	-	12,564	-	490,442
At 31 August 2020	425,700	66,744	-	23,125	-	515,569

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13. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Due within one year				
Trade debtors	42,648	14,404	42,648	14,404
Amounts owed by group undertakings	-	-	33,263	-
Prepayments and accrued income	442,006	373,439	442,006	360,449
	484,654	387,843	517,917	374,853

14. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	19,909	-	19,909	-
Other taxation and social security	61,480	50,503	61,480	50,503
Other creditors	11,421	80,471	11,421	80,471
Accruals and deferred income	681,502	464,791	680,752	464,041
	774,312	595,765	773,562	595,015

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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 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Instrument purchase	71,957	3,984	(1,032)	-	-	74,909
Building maintenance	445,913	-	(624)	-	-	445,289
Re-stimulation fund	-	-	-	260,000	-	260,000
	<u>517,870</u>	<u>3,984</u>	<u>(1,656)</u>	<u>260,000</u>	<u>-</u>	<u>780,198</u>
General funds						
General fund	<u>619,839</u>	<u>2,249,726</u>	<u>(1,884,116)</u>	<u>(260,000)</u>	<u>-</u>	<u>725,449</u>
Total Unrestricted funds	<u>1,137,709</u>	<u>2,253,710</u>	<u>(1,885,772)</u>	<u>-</u>	<u>-</u>	<u>1,505,647</u>

NORTHAMPTONSHIRE MUSIC AND PERFORMING ARTS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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15. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted funds						
Fee remission fund	105,165	-	-	-	-	105,165
Arts Council and other grants	75,091	1,434,920	(1,473,130)	-	-	36,881
The Gordon Robinson Memorial Trust	-	29,080	(29,080)	-	-	-
Industrious project	-	94,921	(79,243)	-	-	15,678
Government Furlough grants	-	750,800	(750,800)	-	-	-
Pension reserve	-	-	(37,000)	-	37,000	-
	<u>180,256</u>	<u>2,309,721</u>	<u>(2,369,253)</u>	<u>-</u>	<u>37,000</u>	<u>157,724</u>
Restricted fixed assets						
Buildings and assets	515,569	-	(25,127)	-	-	490,442
Total Restricted funds	<u>695,825</u>	<u>2,309,721</u>	<u>(2,394,380)</u>	<u>-</u>	<u>37,000</u>	<u>648,166</u>
Total of funds	<u><u>1,833,534</u></u>	<u><u>4,563,431</u></u>	<u><u>(4,280,152)</u></u>	<u><u>-</u></u>	<u><u>37,000</u></u>	<u><u>2,153,813</u></u>

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15. Statement of funds (continued)

Statement of funds - prior 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	663,263	2,583,283	(2,626,707)	-	619,839
	<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	540,579	-	(25,010)	-	515,569
	<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
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16. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Designated funds	517,870	3,984	(1,656)	260,000	-	780,198
General funds	619,839	2,249,726	(1,884,116)	(260,000)	-	725,449
Restricted funds	180,256	2,309,721	(2,369,253)	-	37,000	157,724
Restricted fixed assets	515,569	-	(25,127)	-	-	490,442
	<u>1,833,534</u>	<u>4,563,431</u>	<u>(4,280,152)</u>	<u>-</u>	<u>37,000</u>	<u>2,153,813</u>

Summary of funds - prior 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
	<u>1,888,866</u>	<u>4,666,775</u>	<u>(4,753,107)</u>	<u>31,000</u>	<u>1,833,534</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Restricted fixed assets 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	490,442	-	490,442
Current assets	932,036	-	1,505,647	2,437,683
Creditors due within one year	(774,312)	-	-	(774,312)
Total	<u>157,724</u>	<u>490,442</u>	<u>1,505,647</u>	<u>2,153,813</u>

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17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	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

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

	Group 2021 £	Group 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	283,279	(86,332)
Adjustments for:		
Depreciation charges	25,127	25,010
Dividends, interests and rents from investments	(1,288)	(4,870)
Increase in debtors	(96,811)	(182,300)
Increase in creditors	178,547	64,544
Defined benefit pension scheme cost less contributions payable	37,000	31,000
Net cash provided by/(used in) operating activities	425,854	(152,948)

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19. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	1,953,029	1,525,887
Total cash and cash equivalents	1,953,029	1,525,887

20. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,525,887	427,142	1,953,029
	1,525,887	427,142	1,953,029

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).

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21. Pension commitments (continued)

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 (<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 2021 was £2,000 (2020: £12,000), of which employer's contributions totalled -£3,000 (2020: £7,000) and employees' contributions totalled £5,000 (2020: £5,000). 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 2021 has been reduced from £97,000 (2020: £38,000) 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.

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21. Pension commitments (continued)

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

	At 31 August 2021	At 31 August 2020
	%	%
Discount rate	1.65	1.65
Expected return on assets	1.65	1.65
Future salary increases	3.40	2.80
Future pension increases	2.90	2.30

	At 31 August 2021	At 31 August 2020
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	21.7	21.5
- at 65 for a male aged 45 now	22.8	22.3
- for a female aged 65 now	24.1	23.7
- at 65 for a female aged 45 now	25.8	25.1

Sensitivity analysis

	At 31 August 2021	At 31 August 2020
	£	£
Discount rate +0.1% (2020: +0.5%)	24,000	110,000
Discount rate -0.1% (2020: -0.5%)	(24,000)	(110,000)
Mortality assumption - 1 year increase	45,000	40,000
Mortality assumption - 1 year decrease	(45,000)	(40,000)
CPI rate +0.1% (2020: +0.5%)	22,000	99,000
CPI rate -0.1% (2020: -0.5%)	(22,000)	(99,000)

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21. Pension commitments (continued)

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

	At 31 August 2021 £	At 31 August 2020 £
Equities	1,068,000	940,000
Corporate bonds	319,000	218,000
Property	191,000	164,000
Cash and other liquid assets	16,000	41,000
Total fair value of assets	1,594,000	1,363,000

The actual return on scheme assets was £267,000 (2020 - £-14,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	(34,000)	(39,000)
Interest income	23,000	25,000
Interest cost	(23,000)	(24,000)
Total amount recognised in the Consolidated Statement of Financial Activities	(34,000)	(38,000)

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

	2021 £
Opening defined benefit obligation	1,325,000
Interest cost	23,000
Contributions by scheme participants	5,000
Actuarial losses/(gains)	207,000
Benefits paid	(38,000)
Current service cost	34,000
Closing defined benefit obligation	1,556,000

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21. Pension commitments (continued)

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

	2021 £
Opening fair value of scheme assets	1,363,000
Expected return on assets	23,000
Actuarial gains/(losses)	244,000
Contributions by employer	(3,000)
Contributions by scheme participants	5,000
Benefits paid	(38,000)
Closing fair value of scheme assets	1,594,000

The Group has an unrecognised surplus of £97,000 (2020 - £38,000) 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 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Not later than 1 year	1,200	1,200	1,200	1,200
Later than 1 year and not later than 5 years	2,100	3,300	2,100	3,300
	3,300	4,500	3,300	4,500

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.

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 £6,799 (2020 - £7,954) were provided to HOE. No balance was outstanding at the year end (2020 - £180).

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Mr Peter Smalley is a trustee of The Gordon Robinson Memorial Trust (GRMT). During the year ended 31 August 2021 the charity received donations of £31,580 (2020 - £32,540) 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 £65,494 to three of the schools comprising Tove Learning Trust (2020 - £68,229). No balance was outstanding at the year end (2020 - £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 £45,401 (2020 - £47,308) to Tove Learning Trust. No balance was outstanding at the year end (2020 - £Nil).

Mrs Morcea Walker is a governor of Northampton School for Boys. During the year the charity made sales of £66,191 (2020 - £50,457). No balance was outstanding at the year end (2020 - £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 £200 (2020 - £167) to Yelvertoft Primary School. No balance was outstanding at the year end (2020 - £Nil).

Mrs Renuka Popat is the Head Teacher of The Abbey Primary School. During the year the charity made sales of £5,741 (2020 - £6,562) to The Abbey Primary School. No balance was outstanding at the year end (2020 - £Nil).

Mr Dudley Hughes is a director of The Nene Education Trust which is a multi academy trust based in Raunds and which brings together seven schools where the charity provides services to five of them. During the year, the charity made sales of £19,137 (2020 - £13,907). No balance was outstanding at the year end (2020 - £Nil).

Mr Mark Malitskie is the Financial Officer of the trust. His wife and his son are teachers and employees of the trust.

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 2021 is £1,490 (2020 - £1,310).

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 2021 is £1,475 (2020 - £1,400).

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.