

Charity registration number 1148615

Company registration number 08123495 (England and Wales)

LOVE MUSIC TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

LOVE MUSIC TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Cowell	
	S I Burns	
	S Isherwood	
	J P Savage	
	J D Hill	
	R Gardiner	
	S Corcoran	(Appointed 30 March 2023)
Secretary	D Osborne	
Charity number	1148615	
Company number	08123495	
Principal address	Unit 2, Bradwall Court Bradwall Road Sandbach Cheshire CW11 1GE	
Registered office	Unit 2, Bradwall Court Bradwall Road Sandbach England CW11 1GE	
Independent examiner	Fran Johnson BSc FCA WR Partners Drake House Gadbrook Park Northwich Cheshire CW9 7RA	

LOVE MUSIC TRUST

CONTENTS

	Page
Trustees' report	1 - 9
Independent examiner's report	10 - 11
Statement of financial activities	12 - 13
Balance sheet	14 - 15
Notes to the financial statements	16 - 30

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

The Love Music Trust (LMT) is committed to providing access to high quality music education and exposure to outstanding musical experiences to all pupils in Cheshire East. The LMT is owned, led and managed by schools, and supported by carefully chosen key partners within the local community. The Trust will build on and extend the excellent practice of many schools throughout Cheshire East. This high quality work needs to be developed and applied systematically for every young person.

The Objectives of the Trust are as follows:

1. To offer a broad music education curriculum entitlement for all pupils which, as a minimum, fulfils the requirements outlined within the National Plan for Music Education (NPME);
2. To recruit, train and manage a team of instrumental tutors to deliver the Trust's various musical activities;
3. To support, facilitate and manage clear progression routes for all young musicians through the musical activities of the Trust, and through forging and consolidating close links with other agencies as appropriate, including the Royal Northern College of Music (RNCM), Keele University, Manchester Metropolitan University and national music organisations such as the National Youth Orchestra, National Youth Jazz Orchestra, National Youth Brass Band Great Britain;
4. To provide an extensive programme and support of extra-curricular musical activities in a range of genres, for young vocalists and instrumentalists across the whole of Cheshire East;
5. To provide an instrumental store that facilitates the needs of young instrumentalists in the borough;
6. To provide a delivery model that is both fit for purpose and offers 'value for money'
7. To support partner ensembles across Cheshire East to become national beacons of excellence;
8. To initiate and sustain positive links with all primary schools through the offer of the wider opportunities, continuation programmes and other initiatives;
9. To provide a framework of Continuing Professional Development (CPD) for all classroom, instrumental staff and ensemble leaders.
10. To identify and support emerging talent in a personalised and differentiated way;
11. To create and develop a vocal strategy that will encourage greater involvement with and participation in high level singing activities across Cheshire East;
12. To exploit the potential of new technologies to transform approaches to music education through web based media and through key partnerships,
13. To support all young people on their musical journey, with an emphasis of reaching those in challenging circumstances, including those who are NEET, Home Educated, in or on the fringes of the Youth Justice System and Young Carers.
14. To develop new approaches to the recruitment and training of new music teachers through the links with the Teaching School network and Manchester Metropolitan University (MMU).
15. To forge and maintain links to the work of professional artists and other professional music organisations, thereby creating a culture of aspiration in the work of the trust;
16. To explore new ways to support schools and young people and their musical journey including but not online delivery and provision.

The LMT is supported by key partners. Working collaboratively with its various partners, LMT will offer music education services to all primary, secondary and special schools within Cheshire East. It will fulfil the core and extension roles outlined within the National Plan for Music Education and deliver all the expected aims and outcomes. The LMT will ensure that provision is available for all children, with appropriate provision for those children identified as vulnerable.

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

The activities of The Love Music Trust may be summarised by a number of core roles which are listed below.

1. First Access (Wider Opportunities)
2. Ensembles
3. Continuation
4. Singing

These core roles are supported by a number of extension roles as outlined below:-

1. Continued Professional Development
2. Instrument Loan Service
3. High Quality Musical Experiences
4. Schools Music Education Plan (Quality Assurance)

Public Benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Love Music Trust provides a benefit to the public through the provision of a quality music education for over 10,000 pupils across all Primary, Secondary and Special Schools throughout Cheshire East.

The Trustees confirm that they have had due regard for the guidance published by the Charity Commission on public benefit.

Grant making policy

Grants are offered to all primary schools in the East Cheshire area as a financial incentive to sign up for Whole Class Ensemble Tuition programmes. The school work as the commissioner of services, not necessarily having to engage the LMT to deliver the programme, however all who accept the grant sign up to the Quality Assurance Programme. Additionally, grants are offered to all secondary and special schools for programmes of new musical activity.

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

- 107 (of 124) Cheshire East Primary Schools engaged with the First Access Music programme across the Academic year, up on 2021 - 22.

- 124 (of 124) Cheshire East Primary Schools engaged with one or more of the four core roles as set out in the National Plan for Music Education.

- 22 (of 23) Cheshire East Secondary Schools accepted the LMT new musical activity grant, working in partnership with the LMT.

- 9 (of 9) Special schools accepted the LMT new musical activity grant, working in partnership with the LMT.

- The LMT ensembles network engages over 850 students in weekly ensemble and choir rehearsals throughout Cheshire East.

- Effective partnership working with the Royal Northern College of Music (RNCM) and Sandbach School developing the Cheshire Specialist Music Course for gifted A-level music students. This is the first time the RNCM has partnered with a state school and a music education hub to create such a course. Now in its fourth year the course has 10 students across years 12 and 13. For September 2023, 2 members of the 2021-2023 course have now started places at Music Conservatoires (Royal College of Music and Royal Birmingham Conservatoire).

- The LMT ran the Youth Music funded 'Hear Me' programme engaging a number of communities within Cheshire East including Afghan Children currently accommodated in Sandbach, YP aged 12-19 on the fringes of the Youth Justice System, those who are NEET, both homeless and looked after children in and around the towns of Crewe and Macclesfield. These young people have and do face many challenges in their lives and the 'Hear Me' programme provided them with an opportunity explore these challenges through story capture and song writing.

-Noteworthy is the LMT 'additional needs orchestra'. Established in September 2019, the orchestra met monthly at Church Lawton Autism Specialism school welcoming any young people with an interest in music who may have additional needs.

- The Cheshire East Young Musician of the year competition ran in March 2023 with 90 young vocalists and instrumentalists taking part

- The annual Halle 'Come and Play' took place at the Bridgewater Hall in Manchester (June 2023). 1400 young instrumentalists performed along with the Orchestra at the iconic hall in a massed celebration concert.

- The LMT Summer Celebration Weekend took place in June (2023) taking the opportunity to celebrate the 10th year since the founding of the Trust. Across the 4 concerts some 750 young people performed in Sandbach School Theatre from our own LMT and partner ensembles network.

- The conclusion of the EYFS 'Betty Bear' musical development programme for nursery and KS1 students who take part in signing and other musical activities took place at Congleton Town Hall (March 2023)

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- The LMT worked in partnership with Conductive Music from March – June 2023 to run a series of programmes focusing on composing, computer programming and storytelling for gaming. Nine schools were involved in the programme across 18 days of delivery.
- 7 online CPD courses ran for Primary School Music coordinators and NQT's online throughout 2022/23.
- The LMT Singing programme, 'Sing Fest' engaged 40 schools in 2022/23 culminating in 8 massed concerts at Congleton Town Hall (March 2023)
- The adventures of 'Rex the Dinosaur' programme engaging EYFS in musical development concluded with a 'Dinosaur Picnic' at Congleton Park (June 2023)

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

Review of financial position

The Love Music Trust has received a grant of £488,426 for 2022/23 from The Arts Council England. Income is also generated from parental contributions for music tuition, contributions from schools for musical tuition and support, ticket sales from concerts, and selling and hiring of instruments.

The unrestricted funds for the year show a surplus of £38,115 after taking into account transfers to restricted funds of £16,422 for the purchase of fixed assets.

The unrestricted funds at 31 August 2023 are £282,660 (2022: £244,545). Included within the fund balance at 31 August 2023 is £100,000 designated for future relocation costs.

Reserves policy

The Trustees review the levels of resources throughout the period. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

The Trustees' policy is to carry forward a prudent level of resources to support the effective delivery of music education into the future. The level of reserves will be kept under regular review. In carrying out this review the Trustees will consider any potential changes to future funding levels. Funding from Arts Council has been secured until 31st August 2025. The business plan includes a detailed budget showing how these funds will be fully utilised.

Future plans

The list below outlines the aspirations for the Trust over coming months: -

- For 2023/24 all Primary schools in the borough have again been offered a grant to support First Access programmes and an additional grant to support continuation the level of which is based on numbers on the school roll.
- All Cheshire East Secondary and Special Schools have again been offered a grant to support new musical activity.
- A partnership with the Royal Northern College of Music and Sandbach school will continue into its fifth year, supporting the Cheshire Specialist Music Course. The course continues to cater for highly talented A-Level music students interested in a career based in musical performance.
- Small Group and Instrumental lessons (SG&I) continue to be advertised to schools/pupils and parents, as we continue developing a tutor base with the skills and capacity to deliver this programme.
- In partnership with Cheshire East Special Schools the LMT will continue to develop 'Noteworthy', our additional needs Orchestra providing a regular collective music opportunity for young people with SEN.
- Through ongoing needs analysis CPD courses will continue to be identified whilst for 2023 a discounted CPD membership package continues to be offered to schools.

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

As a direct response to the new Hub investment Programme, the LMT has applied to be the lead organisation of the new Cheshire and Wirral hub. If appointed lead organisation (announcement April 2024) the LMT would start in its new extended role in September 2024.

- The LMT is looking to expand and extend the 'Hear Me' programme that ran from September 2022 to August 2023. Initially supported through a Youth Music grant of £22,558, the programme worked with three groups of Young People ranging from Young Afghan families in Sandbach to those who are NEET and those in or on the fringes of the Youth Justice system in Crewe and Macclesfield. Looking at story capture and song writing, the programme led to the production of an EP for online release and a showcase event of songs written, performed at the Victoria Hall, Middlewich. The LMT is looking to collaborate with Cheshire West and the Wirral on a similar programme applying for support through the National lottery 'Million Hours' fund.

- LMTs cost effective instrument loan service will continue to be promoted. Additionally, for students continuing to learn following First Access programmes, the cost of instrumental loans has been kept to a minimum to help support engagement.

- The Trust will continue to engage with the range of local, regional and national partners and artists to deliver the broad programme of musical activity supporting young people in Cheshire East.

Risk factors

The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

LOVE MUSIC TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management

Governing document

The charitable company is a company limited by guarantee and is controlled by its governing document, the Memorandum & Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Cowell

S I Burns

S Isherwood

J P Savage

J D Hill

R Gardiner

S Corcoran

(Appointed 30 March 2023)

Recruitment and appointment of new trustees

The minimum number of Trustees shall be 3 and the maximum number of Trustees shall be 9.

The majority of Trustees must not be Sandbach School Governors.

Where possible the Trustees will include the following:-

- One representative from Cheshire East Council
- One Sandbach School Governor
- One Headteacher from a secondary school in the region
- One Headteacher from a primary school in the region
- The Headteacher of Sandbach School

The criteria for the above have been met by the current membership. Trustees have varied and broad skills basis, and efforts have been made during the year to recruit Trustees to further bolster this skill set. Trustees are recruited from Headteachers network and music professionals who already have a close relationship with the Trust.

Organisational structure

During the year, John Barber directed the day to day running of The Love Music Trust. He was supported as part of the management team by Sarah Burns (Headteacher Sandbach School) and David Osborne (Sandbach School Business Manager) as Financial Advisor.

Induction and training of new trustees

New Trustees are provided with an overview of Trustees and their skill set and background. They are also briefed on the business plan of the Trust and have open access to Directors to ask questions. New Trustees are also provided with all papers, minutes and agendas from previous Board meetings. Trustees are also invited to Love Music Trust events, and are consulted with as and when the need arises about specific issues.

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LOVE MUSIC TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF LOVE MUSIC TRUST

I report to the trustees on my examination of the financial statements of Love Music Trust (the charitable company) for the year ended 31 August 2023.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

LOVE MUSIC TRUST

INDEPENDENT EXAMINER'S REPORT (CONTINUED)

TO THE TRUSTEES OF LOVE MUSIC TRUST

Fran Johnson BSc BFP FCA
WR Partners
Chartered Accountants & statutory auditor
Drake House
Gadbrook Park
Northwich
Cheshire
CW9 7RA

Dated:

LOVE MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income and endowments from:							
Donations and legacies	3	15,905	488,426	504,331	2,282	503,715	505,997
Charitable activities	4	470,034	-	470,034	419,257	-	419,257
Investments	5	1,101	-	1,101	92	-	92
Other income	6	7,345	-	7,345	1,173	-	1,173
Total income		494,385	488,426	982,811	422,804	503,715	926,519
Expenditure on:							
Charitable activities	7	439,848	517,267	957,115	335,320	566,645	901,965
Other		-	-	-	-	171	171
Total resources expended		439,848	517,267	957,115	335,320	566,816	902,136

LOVE MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Net incoming/ (outgoing) resources before transfers	54,537	(28,841)	25,696	87,484	(63,101)	24,383
Gross transfers between funds	(16,422)	16,422	-	(22,985)	22,985	-
Net income/(expenditure) for the year/ Net movement in funds	38,115	(12,419)	25,696	64,499	(40,116)	24,383
Fund balances at 1 September 2022	244,545	108,922	353,467	180,046	149,038	329,084
Fund balances at 31 August 2023	282,660	96,503	379,163	244,545	108,922	353,467

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LOVE MUSIC TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		96,503		108,213
Current assets					
Debtors	14	9,834		13,453	
Cash at bank and in hand		368,286		327,534	
		<u>378,120</u>		<u>340,987</u>	
Creditors: amounts falling due within one year	15	<u>(95,460)</u>		<u>(95,733)</u>	
Net current assets			282,660		245,254
Total assets less current liabilities			<u>379,163</u>		<u>353,467</u>
Income funds					
Restricted funds	17		96,503		108,922
<u>Unrestricted funds</u>					
Designated funds	18	100,000		-	
General unrestricted funds		<u>182,660</u>		<u>244,545</u>	
			282,660		244,545
			<u>379,163</u>		<u>353,467</u>

LOVE MUSIC TRUST

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on23/11/23.....



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J P Savage

Trustee

Company registration number 08123495

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

Love Music Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 2, Bradwall Court, Bradwall Road, Sandbach, England, CW11 1GE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings and media	15% reducing balance
Computers	33% straight line
Instruments	12.5% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	7,015	-	7,015	2,282	14,405	16,687
Grants received	8,890	488,426	497,316	-	489,310	489,310
	<u>15,905</u>	<u>488,426</u>	<u>504,331</u>	<u>2,282</u>	<u>503,715</u>	<u>505,997</u>
Grants receivable for core activities						
Arts Council Grant	-	488,426	488,426	-	486,259	486,259
Cheshire East Holiday Activities and Food Grant	-	-	-	-	3,051	3,051
Youth Music Trailblazer Grant	8,890	-	8,890	-	-	-
	<u>8,890</u>	<u>488,426</u>	<u>497,316</u>	<u>-</u>	<u>489,310</u>	<u>489,310</u>

4 Charitable activities

	Continuation of 2022	CPD/SMEP	Ensembles	First Access	HQME	Instruments	Singing	Total	Total
	2023	2023	2023	2023	2023	2023	2023	2023	2022
	£	£	£	£	£	£	£	£	£
Income from tuition	176,008	42,499	8,900	152,389	4,040	-	6,050	389,886	350,551
Sales of goods and services	-	13,835	3,308	-	21,270	27,738	13,997	80,148	68,706
	<u>176,008</u>	<u>56,334</u>	<u>12,208</u>	<u>152,389</u>	<u>25,310</u>	<u>27,738</u>	<u>20,047</u>	<u>470,034</u>	<u>419,257</u>

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	1,101	92
	=====	=====

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other income	7,345	1,173
	=====	=====

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Charitable activities

	Continuation	CPD/SMEP	Ensembles	First Access	HQME	Instruments	Singing	Total	Total
	2023	2023	2023	2023	2023	2023	2023	2023	2022
	£	£	£	£	£	£	£	£	£
Staff costs	8,435	52,204	18,814	18,755	24,234	13,854	51,883	188,179	159,469
Depreciation and impairment	-	-	-	-	-	27,662	-	27,662	24,957
Tutor charges	157,858	33,647	1,977	120,456	3,413	-	6,956	324,307	300,611
Instrument costs	-	1,293	476	-	-	8,827	-	10,596	8,037
Venue/event costs	1,805	632	8,376	-	20,332	-	1,224	32,369	34,898
Music direction	-	-	31,726	-	-	-	-	31,726	31,925
Travel and Subsistence	276	1,227	4,100	499	848	2,092	1,806	10,848	10,194
Training and quality assurance	-	2,789	-	-	-	-	-	2,789	2,525
Commissioned partner costs	-	-	19,500	-	-	-	-	19,500	19,375
Marketing	-	-	57	-	557	-	31	645	-
Sundry	491	2,249	279	461	881	-	1,225	5,586	12,414
Music purchases	1,238	35	316	-	29	-	2,598	4,216	2,596
Curriculum development costs	-	1,365	-	-	-	-	-	1,365	1,811
Remissions	9,231	-	1,488	-	-	1,400	-	12,119	17,564
	<u>179,334</u>	<u>95,441</u>	<u>87,109</u>	<u>140,171</u>	<u>50,294</u>	<u>53,835</u>	<u>65,723</u>	<u>671,907</u>	<u>626,376</u>
Grant funding of activities (see note 8)	19,084	28,000	-	42,439	-	-	-	89,523	84,056
Share of support costs (see note 9)	42,913	36,096	21,665	43,944	14,762	16,897	17,088	193,365	189,103
Share of governance costs (see note 9)	515	433	260	527	177	203	205	2,320	2,430
	<u>241,846</u>	<u>159,970</u>	<u>109,034</u>	<u>227,081</u>	<u>65,233</u>	<u>70,935</u>	<u>83,016</u>	<u>957,115</u>	<u>901,965</u>

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Grants payable

	Continuation	CPD/SMEP	First Access	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
Grants to institutions:					
Grants to Schools	19,084	28,000	42,439	89,523	84,056

Grants are paid to schools for the purpose of music education.

9 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Staff costs	144,932	-	144,932	143,654
Depreciation	3,212	-	3,212	2,426
Insurance	3,641	-	3,641	3,766
IT software & consumables	6,148	-	6,148	6,266
Sundry	1,117	-	1,117	1,285
Postage & stationery	2,818	-	2,818	2,734
Rent and premises costs	12,637	-	12,637	12,747
Repairs & renewals	4,748	-	4,748	4,664
Telephone & internet	5,034	-	5,034	4,248
Staff development	128	-	128	1,043
Advertising	253	-	253	-
Professional fees	8,698	-	8,698	6,270
Independent examination fee	-	2,320	2,320	2,430
	193,366	2,320	195,686	191,533
Analysed between				
Charitable activities	193,365	2,320	195,685	191,533

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Management	2	2
Charitable activities	2	2
Support	3	3
	<hr/>	<hr/>
Total	7	7
	<hr/>	<hr/>

Employment costs

	2023 £	2022 £
Wages and salaries	257,948	244,468
Social security costs	22,352	19,791
Other pension costs	52,811	38,864
	<hr/>	<hr/>
	333,111	303,123
	<hr/>	<hr/>

There were no employees whose annual remuneration was more than £60,000.

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Fixtures, fittings and media	Computers	Instruments	Total
	£	£	£	£
Cost				
At 1 September 2022	19,518	18,845	394,415	432,778
Additions	510	406	18,925	19,841
Disposals	-	-	(561)	(561)
At 31 August 2023	20,028	19,251	412,779	452,058
Depreciation and impairment				
At 1 September 2022	12,231	14,351	297,984	324,566
Depreciation charged in the year	1,170	2,043	28,132	31,345
Eliminated in respect of disposals	-	-	(356)	(356)
At 31 August 2023	13,401	16,394	325,760	355,555
Carrying amount				
At 31 August 2023	6,627	2,857	87,019	96,503
At 31 August 2022	7,287	4,494	96,432	108,213

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	1,431	700
Other debtors	3,499	1,182
Prepayments and accrued income	4,904	11,571
	9,834	13,453

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	3,743	4,993
Trade creditors	25,147	26,049
Other creditors	2,635	-
Accruals and deferred income	63,935	64,691
	<hr/>	<hr/>
	95,460	95,733
	<hr/>	<hr/>

During the year deferred income of £40,608 was released to Arts Council funding. No Arts Council income has been deferred this year. An amount of £13,668 received from the National Foundation for Youth has been deferred at 31 August 2023.

16 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £52,811 (2022 - £38,864).

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Restricted funds

Arts council fund

This is a restricted fund which records the income from the Arts Council grant, together with the related expenditure.

Fixed assets fund

This fund holds the fixed assets of the charity, being mainly musical instruments. Assets purchased from funds included in the unrestricted funds are recorded as a transfer between funds.

Cheshire East Holiday Activities and Food Grant

Funding to provide children the opportunity to access at least 6 weeks of 'free to access' school holiday activities over Easter, summer and winter and eat healthily over the school holidays.

	Balance at 1 September 2021 £	Movement in funds			Balance at 1 September 2022 £	Movement in funds			Balance at 31 August 2023 £
		Incoming resources	Resources expended	Transfers		Incoming resources	Resources expended	Transfers	
Arts Council	50,660	486,258	(536,209)	-	709	488,426	(489,135)	-	-
Fixed assets	98,378	14,404	(27,554)	22,985	108,213	5,364	(28,132)	11,058	96,503
Cheshire East Holiday Activities Fund	-	3,051	(3,051)	-	-	-	-	-	-
	149,038	503,713	(566,814)	22,985	108,922	493,790	(517,267)	11,058	96,503

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Transfers	Balance at 31 August 2023
	Incoming resources	Balance at 1 September 2022		
	£	£	£	£
Relocation fund	-	-	100,000	100,000
	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
	-	-	100,000	100,000
	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>

19 Analysis of net assets between funds

	Unrestricted	Restricted funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Fund balances at 31 August 2023 are represented by:				
Tangible assets	-	96,503	96,503	108,213
Current assets/(liabilities)	282,660	-	282,660	245,255
	<u>282,660</u>	<u>96,503</u>	<u>379,163</u>	<u>353,468</u>

LOVE MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Related party transactions

Transactions with related parties

During the year the charitable company entered into the following transactions with related parties:

	Sale of services during the year		Purchase of goods and services during the year	
	2023	2022	2023	2022
	£	£	£	£
Other related parties	4,827	6,073	151,422	88,598
	<hr/>	<hr/>	<hr/>	<hr/>
	4,827	6,073	151,422	88,598
	<hr/>	<hr/>	<hr/>	<hr/>

At 31 August 2023 £24,539.78 was owed to Sandbach School (2022: £13,749) and £0 was owed to Marlfields Primary Academy (2022: £832).

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