

Company no. 08310735  
Charity no. 1150174

**Barnet Education Arts Trust**  
**Report and Audited Financial Statements**  
**31 August 2023**

## Barnet Education Arts Trust

### Reference and administrative details

**For the period ended 31 August 2023**

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<b>Company number</b>	08310735
<b>Charity number</b>	1150174
<b>Registered office and operational address</b>	Barnet Music Hub Dollis Primary School Pursley Road London NW7 2BU
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Martin Baker                      Chair Jayne Barnes                      Resigned 1 September 2022 Annwen Bates Jasmine Bates                      Resigned 31 August 2022 Tim Clark                          Resigned 27 June 2022 Katie Dawbarn Colin Dowland Philip Elgar Alexandra Gess                      Appointed 4 December 2023 Smiljana Kadelburg                      Appointed 27 June 2022 Samuel Kunda                      Appointed 4 December 2023 Neil Marlow Mary Musker                      Resigned 5 December 2022 Ola Nwakodo                      Appointed 4 December 2023 Bradley Travis Peter White
<b>Chief executive officer</b>	Sharon Broughall
<b>Company secretary</b>	Smiljana Kadelburg
<b>Bankers</b>	The Co-operative Bank 80 Cornhill London EC3V 3NJ ME19 4JQ
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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The trustees present their report and the audited financial statements for the period ended 31 August 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

### **Structure, governance and management**

#### **Legal status, date of incorporation and date of charity registration**

This charitable company limited by guarantee was incorporated on 28 November 2012. Charitable registration was completed on 13 December 2012.

**The governing document** is the articles of association agreed on 28 November 2012.

Trustees are appointed and recruited by the board by advertisement and interview. Upon selection they are required to complete a satisfactory DBS check. At present there are two local authority trustees (to represent the needs of the local community), one primary school head teacher, one ex schools' inspector, secondary head of music, one ex-student, three local residents, and an ex director of children's services.

**Trustees** are inducted at their first meeting and then mentored by existing trustees at committee meetings.

#### **Organisational structure**

The CEO is responsible for the day to day running of the organisation and line manages three directors and two senior managers, the finance officer and three administrative staff. There are a further 49 teaching staff and line management responsibilities for them are shared among the senior staff.

**Strategic decisions** are made by the board of trustees as to the direction of the work carried out by BEAT and the use of charitable funds. There is a chairman and a number of committees with differing membership to support the work of the CEO and the senior leadership team of the organisation. These committees will usually report back to the board before any decisions are taken.

The CEO will take decisions on a day to day basis and refer to the chairman when appropriate. There is a company secretary who is responsible for preparing the accounts and reporting to the trustees at quarterly meetings.

BEAT is a member of Music Mark, the federation supporting the work of music hubs.

#### **Partnerships**

There are a number of key partners at any one time. The most significant of these is with Arts Council England which monitors the work of all music hubs and releases the music education grant to them on receipt of any required data and reporting.

Music partners in 2022-2023 have included Charanga, artsdepot, Charles Court Opera, Barnet's Virtual School, Brass Band England, Indonesian gamelan and puppetry and London Music Fund.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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BEAT has strong partnerships with schools and works with and in nearly all schools in the London Borough of Barnet.

#### **Pay policy**

BEAT has developed a grade structure to meet the needs of staff with a wide range of qualifications and experience and follows performance-related pay. The pay of all senior and teaching staff uses Teachers' Pay and Conditions Document as a framework. Administrative staff are given the same percentage pay rises as teaching staff. The CEO pay point is decided by trustees at performance management meetings and falls into a seven point scale on the leadership scale for head teachers and senior leaders in schools. Other senior managers' pay is decided by the CEO. Their pay will always fall within a range of leadership scale pay points at least 5 points apart from the CEO pay.

#### **Our strategic objectives**

Our vision is to be the nucleus for high quality music education in Barnet, offering opportunities for a breadth of musical pathways, with a delivery that encompasses our 4 core values; Nurture, Include, Aspire and Excel.

Our key goals are:

- To promote high quality music education – to grow our work in schools and with the community to reach more children & young people. Model high quality, inspirational, inclusive and sustainable music education;
- To support and advocate for increased diversity, inclusion and equitable access to music education;
- To build sustainable progressive pathways and nurture musical talent, encouraging children and young people to access and participate in an exciting range of targeted musical and cultural learning programmes; and
- To work collaboratively with a range of partner organisations to provide additional opportunities to enrich and develop our offer.

BEAT has continued to ensure that our vulnerable children do not miss out. BEAT continues to use core government funds to ensure we can implement our remissions policy for our pupils and families.

#### **Governance and management**

The trust is governed by a board of trustees who will report to the Charities Commission.

The board of trustees meet frequently, to keep abreast of key issues such as cashflow, staffing levels and government guidelines for schools. Having the optimal mix of skills, expertise and experience is paramount to ensure that the board of trustees, as a collective, is equipped to guide the business and strategy of BEAT. The finance sub-committee has met termly to keep the finances under regular review.

Trustees to:

- Have a shared, consistent and clear understanding of the current position;
- Support the CEO through regular meetings and introduction of sub-committees in areas of concern;
- Identify ongoing risks and apply any necessary mitigations; and
- Monitor the strategy, agrees the business plan and monitors progress against agreed targets included in the business plan.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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Management, senior management team to:

- Deliver a strong, consistent message to new and engaged audiences;
- Inform and update ACE throughout;
- Ongoing engagement with schools and parents specifically to clarify their needs;
- Decide which services can continue to be provided, amended, delivered differently or suspended;
- Engage closely with the community, stakeholders and influencers - locally, regionally and nationally - to support and champion music education; and
- Introduce activities and strategies to maintain pupil engagement.

#### **Programme of activity**

We have aimed to promote a strong programme of activity which aimed to be innovative and flexible so we could keep music alive for our young people whilst meeting the ongoing challenges posed by the cost in living crisis. Further details below provide a summary of what happened and key achievements.

**The main charitable outcomes and achievements for 2022-2023 are outlined below. Over the course of the whole year we:**

- Worked in partnership with 113 schools (4 independent schools), 89% of those in the area, with 81% on delivering at least one core role;
- Delivered our Infant Music Festival with 51 schools participating, involving 2,700 children;
- Delivered our Barnet Schools Music Festival with 47 primary and 5 secondary schools participating, involving 1,475 children & young people;
- Delivered our Secondary Celebration of Singing with 8 secondary schools, involving nearly 200 young people;
- Delivered 112 whole class projects in 41 schools, reaching 3,536 children;
- Delivered a whole class celebration concert with 6 primary schools, involving 255 children;
- Continued to deliver our 'Access for All' ensemble at Mapledown School, a secondary day school (11-19 years) catering for children and young people with Severe Learning Difficulties (SLD), Autism (ASC) and those with profound and multiple learning difficulties (PMLD) extending it to one additional SEN school in Autumn 2022 and one additional primary school with additional resources for autism during the spring term and summer term;
- Supported all Barnet schools in their delivery of curriculum with regular advice, network meetings, consultations and CPD; in 22/23, we have run one network event and 11 CPD events - 54 staff from 43 primary, two independent schools and five secondary schools have attended these events;
- BEAT currently operates 41 ensembles on a weekly basis;
- Delivered 14 holiday courses involving 131 children;
- Offered CPD opportunities for BEAT staff. Staff attended an inset day, first aid at work, trauma informed training and two senior leaders participated in the High Impact Teaching in Music Hubs CPD;
- Provided remission of instrumental tuition fees for children in care or eligible for pupil premium attending school where BEAT provides the teachers. 13 children in care are in receipt of free instrumental tuition and 351 children eligible for pupil premium have received remission of fees;
- Continued to provide nine scholarships through the London Music. BEAT has continued to provide funding for 10 scholars even after their 4-year scholarship period has ended;
- Extended our offer to include DJing, offering subsidised workshops to seven schools;
- Initiated a pilot A level music consortium program with four students. Alongside the programme, we have initiated GCSE solo performance masterclasses and composition workshops;

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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- Delivered a four day summer holiday music experience in collaboration with artsdepot, accommodating 40 students with 20 free places reserved for children in receipt of FSM;
- Formed new partnerships with Charles Court Opera, Barnet Virtual school, and Young Barnet Foundation;
- Continued to build and develop relationships with the Indonesian Embassy, London Music fund, artsdepot, Brass Band England, Charanga and Barnet 0-19 Early Help Service;
- Organised our 10th Anniversary Concert at St Johns Smith Square with over 100 young musicians to a sold out audience;
- Participated in the BBE Youth Champs 2023 for the first time, with our Barnet Youth Brass Band;
- Established a Youth Voice Council, whose first public appearance was to host our 10th Anniversary concert; and
- Delivered a tour to Normandy in July, involving 34 children and young people.

#### **Public benefit**

At present BEAT provides opportunities in music education for all young people in Barnet. This includes providing musicians and teachers to work with young people in schools and elsewhere. This includes providing lessons, performance opportunities, workshops and ensembles for these young people to play in. The musicians and teachers provided are also offered training opportunities to develop their own skills.

The public benefit is that young people will develop their social and cultural skills through participating in these activities. The families of these young people will also benefit from the cultural events they may attend that the young people are taking part in. The trustees are mindful of the importance of public benefit that the organisation brings and there is always an item on the board meetings agenda for the use of raised monies. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives for the year.

#### **Fundraising**

##### **Annual statements about fundraising**

- BEAT has not employed a commercial organisation to fundraise. An existing employee has taken on the role of fundraiser;
- This employee has not subscribed to any scheme for standards or regulation. There has been no failure in regulation;
- The charity monitors the fundraising activities of the employee through regular meetings, e-mails and telephone discussions;
- There have been no complaints with regard to the fundraising activities of BEAT; and
- BEAT does not actively pursue donors for donations – all are voluntary.

##### **The main fundraising activities during 2022-2023 were for:**

- Children whose families are unable to meet the cost of learning to play an instrument;
- Funding the SEN orchestra development;
- Support for delivering out inclusion strategy; and
- Support for children and young people participating in the Normandy Tour.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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##### **Fundraising results for 2022-23**

Commission from Amazon, Virgin, Allianz, Easy Fundraising	280
Friern Barnet Education Trust	2,205
Barnet Virtual School	3,000
Young Barnet Foundation	1,600
Tuck Shops and Concerts	5,963
	<hr/>
<b>Total</b>	<b>13,048</b>

##### **Financial review**

###### **Reserves policy**

The reserves policy states that the BEAT reserves should be at least 15% of annual expenditure or three months salary costs, whichever is greater. This would represent a sum of £377k.

BEAT successfully applied for the government Culture Recovery Grant in 2020-21 and received a sum of £300,000 which has been used, at this stage, to boost the reserves.

It has been necessary to deposit a part of BEAT's reserves (£78,437) into a separate account as a guarantee for teachers' pensions. This is held in a designated fund. Without this amount the teachers' pensions would not allow BEAT teachers to remain in the Teachers' Pension Scheme.

General unrestricted funds at 31 August 2023 stand at £705,863. This is in excess of the current policy.

###### **Main sources of funding**

The main source of funds this year came from government grants (32%). These included Arts Council's Music Education grant (28% of turnover) and Teachers' Pension increase support grant (4% of turnover). BEAT's income from charging parents and schools for lessons is 67% of turnover this year.

###### **Expenditure**

74% of expenditure has been spent on maintaining teachers' pay, delivering music tuition, performances or rehearsals – this is identified in direct costs.

###### **Future aims**

Barnet Education Arts Trust is committed to providing a flexible, professional service that offers value for money. No profit is made from the services we offer and all charges are based on the cost for delivery.

We will continue to work closely with schools in a variety of ways to ensure that the services we provide are the most appropriate to their needs and those of their children and young people.

By aligning with our strategic goals and the smart objectives of the Music Education Hub, BEAT will focus on enriching the participation of children and young individuals in our programs. This entails increasing the percentage of schools involved with BEAT in fundamental roles like instrumental tuition, BEAT's singing strategy, Whole Class Ensemble Tuition (WCET), and curriculum support. Our goal is to establish pathways for progression, allowing individuals to pursue their musical interests to any desired extent.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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BEAT will continue to ensure that our vulnerable children do not miss out, using core government funds to ensure we can implement our remissions policy for our pupils and families. Our discretionary fund aims to reach those families who may not meet the criteria for pupil premium fund but who've a specific and demonstrable financial need.

In the forthcoming year, BEAT strategically centers its efforts on two primary objectives. Firstly, a deliberate initiative is underway to expand the number of children learning orchestral instruments and attending our music academies. The impact of the pandemic has notably driven increased participation in piano, guitar, and drum kit lessons, contributing to a shift that has affected our ensemble provision. Secondly, Equity, Diversity, and Inclusion (EDI) persist as core focal points, with dedicated attention given to expanding the Youth Voice Council. This council plays a pivotal role in cultivating an inclusive environment, ensuring diverse perspectives actively shape the ongoing development of the organisation.

#### **Funds held as custodian trustee on behalf of others**

None.

#### **Risk statement**

##### **Identified risks**

1. Insufficient numbers of trustees willing to be members of the board.

Risk level - low

This is a popular organisation and the articles of association provide that all trustees will remain in post for sufficient time to ensure that not all will resign from post at the same time.

2. Lack of appropriate knowledge / expertise in board members.

Risk level - medium

The makeup of the board ensures that sufficient trustees are appointed with knowledge of the music education and arts sector. There is a vacancy at present for a trustee with a HR, company law or charity law background – the board are actively trying to recruit such a member.

3. Financial risk caused by the growth of the school population and the subsequent increase in demand for the remission of fees and free whole class tuition.

Risk level - medium

There is an increase in the grant this year from the Arts Council which will cover the increase in demand. The CEO and Company Secretary will both monitor on a monthly basis the increase in demand and any subsequent financial implications and will take measures to reduce this if necessary. These could include limiting the number of available remissions, asking schools to contribute to these remissions and also asking schools to contribute to the cost of the whole class instrumental tuition programme.

4. The Music Education Grant not continuing beyond August 2024

Risk level - high

The impact of this is that BEAT would not be able to sustain the present level of activity which would have implications on staffing and the musical offer to young people.



## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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5. The London Borough of Barnet not extending the guarantee for the Local Government Pension Scheme (LGPS) Deficit.

Risk level – high

When employees from the London Borough of Barnet were TUPEd across to BEAT there were two part time employees in the LGPS. One has since retired and the second, who remains in the scheme, is not due to retire for another 16 years. In 2018 the actuary from the London Borough of Barnet assessed the deficit as at least £40,000. The London Borough of Barnet issued a Bond Renewal Agreement on 2 March 2022 continuing to be a guarantor until 30 November 2024. It was agreed the sum guaranteed would be in line with the previous agreement.

#### **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which 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 charity 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 auditors are unaware; and
- 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 auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### **Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 11 March 2024 and signed on their behalf by



Martin Baker - Chair

## **Independent auditors' report**

### **To the members of**

#### **Barnet Education Arts Trust**

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#### **Opinion**

We have audited the financial statements of Barnet Education Arts Trust (the 'charity') for the period ended 31 August 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, 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 charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

### **To the members of**

#### **Barnet Education Arts Trust**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- The financial statements are not in agreement with the accounting records and returns;
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Our 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.

## **Independent auditors' report**

### **To the members of**

#### **Barnet Education Arts Trust**

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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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditors' report**

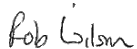
**To the members of**

**Barnet Education Arts Trust**

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### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 11 March 2024

**Rob Wilson FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

# Barnet Education Arts Trust

## Statement of financial activities (incorporating an income and expenditure account)

For the period ended 31 August 2023

				17 months to 2023 Total £	12 months to 2022 Total £
	Note	Restricted £	Unrestricted £		
<b>Income from:</b>					
Donations and legacies	3	3,805	9,243	13,048	53,739
Charitable activities	4	850,831	1,763,676	2,614,507	1,607,305
Investments		-	6,292	6,292	12
<b>Total income</b>		<u>854,636</u>	<u>1,779,211</u>	<u>2,633,847</u>	<u>1,661,056</u>
<b>Expenditure on:</b>					
Raising funds		-	20,683	20,683	10,799
Charitable activities		<u>854,636</u>	<u>1,570,326</u>	<u>2,424,962</u>	<u>1,585,054</u>
<b>Total expenditure</b>	6	<u>854,636</u>	<u>1,591,009</u>	<u>2,445,645</u>	<u>1,595,853</u>
<b>Net income and net movement in funds</b>	7	-	188,202	188,202	65,203
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>12,961</u>	<u>596,098</u>	<u>609,059</u>	<u>543,856</u>
<b>Total funds carried forward</b>		<u>12,961</u>	<u>784,300</u>	<u>797,261</u>	<u>609,059</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the accounts.

# Barnet Education Arts Trust

## Balance sheet

As at 31 August 2023

	Note	£	31 August 2023 £	31 March 2022 £
<b>Fixed assets</b>				
Tangible assets	10		17,296	1,270
<b>Current assets</b>				
Debtors	11	24,108		139,939
Cash at bank and in hand		<u>1,091,279</u>		<u>796,992</u>
			1,115,387	936,931
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	12	<u>(335,422)</u>		<u>(329,142)</u>
<b>Net current assets</b>			<u>779,965</u>	<u>607,789</u>
<b>Net assets</b>	14		<u><u>797,261</u></u>	<u><u>609,059</u></u>
<b>Funds</b>	15			
Restricted funds			12,961	12,961
Unrestricted funds:				
Designated funds			78,437	78,437
General funds			<u>705,863</u>	<u>517,661</u>
<b>Total charity funds</b>			<u><u>797,261</u></u>	<u><u>609,059</u></u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 11 March 2024 and signed on their behalf by

*Martin Baker*

Martin Baker - Chair



**Barnet Education Arts Trust****Statement of cash flows****For the period ended 31 August 2023**

	<b>31 August 2023 £</b>	<b>31 March 2022 £</b>
<b>Cash used in operating activities:</b>		
<b>Net movement in funds</b>	<b>188,202</b>	65,203
Adjustments for:		
Fixed asset additions	<b>(21,869)</b>	(1,694)
Depreciation charges	<b>5,843</b>	1,732
Interest received	<b>(6,292)</b>	(12)
Decrease / (increase) in debtors	<b>115,831</b>	(48,327)
Increase in creditors	<b>6,280</b>	101,448
<b>Net cash provided by operating activities</b>	<b>287,995</b>	118,350
<b>Cash flows from investing activities:</b>		
Interest received	<b>6,292</b>	12
<b>Net cash provided by operating activities</b>	<b>6,292</b>	12
<b>Increase in cash and cash equivalents in the year</b>	<b>294,287</b>	118,362
Cash and cash equivalents at the beginning of the year	<b>796,992</b>	678,630
<b>Cash and cash equivalents at the end of the year</b>	<b>1,091,279</b>	796,992

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## **Barnet Education Arts Trust**

### **Notes to the financial statements**

**For the period ended 31 August 2023**

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#### **1. Accounting policies**

##### **a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Barnet Education 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 note.

##### **b) Going concern basis of accounting**

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### **c) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of music lessons, instrument hire or for future events is deferred until criteria for income recognition are met.

##### **d) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### **e) Funds accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

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##### **f) Expenditure and irrecoverable VAT**

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

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

##### **g) Allocation of support and governance costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

##### **h) Tangible fixed assets**

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

All fixed assets	4 years
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Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

##### **i) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **j) Cash at bank and in hand**

Cash at bank and cash 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.

##### **k) Financial instruments**

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

##### **l) Defined contribution pension scheme**

The charitable company operates a defined contribution pension scheme for 2 of its employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. Pension costs charged in the financial statements represent the contributions payable by the charitable company during the period.

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

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##### **m) Defined benefit pension schemes treated as defined contribution pension schemes**

###### *Teachers' Pension Scheme*

The charity makes pension contributions to the Teachers Pension Scheme which is a contracted out, unfunded, defined benefit occupational pension scheme operated by the Department for Education. Contributions to the scheme by employers and employees are set at rates determined by the Secretary of State. The scheme's payments are partially funded by the employer and employee contributions, the balance of funding being provided by Parliament through the annual Supply Estimates process. The scheme's administrative expenses are borne by the Department for Education.

The scheme has in excess of 3,700 participating employers and consequently the charity is not able to identify its share of the underlying financial position and performance of the scheme with sufficient reliability for accounting purposes. For the purposes of these financial statements, it is therefore accounted for on the same basis as a defined contribution scheme.

###### *Local Government Pension Scheme*

Barnet Education Arts Trust (BEAT) operates the services previously offered by Barnet Music Service, which was part of the local authority of The London Borough of Barnet. The assets and liabilities of the Barnet Music Service were transferred to BEAT in February 2013, including all staff of the service and responsibility for their pension schemes.

BEAT now participates in the Local Government Pension Scheme (LGPS), the scheme manager/administering authority being the London Borough of Barnet. The charity makes pension contributions for 1 employee who was previously employed by the Barnet Music Service. The scheme is closed to new members. This scheme is a funded defined benefit final salary scheme, meaning that the charity and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The charity has not recognised any provision with respect to this scheme as any deficit in respect of BEAT's employee and employer contributions has been guaranteed by the London Borough of Barnet up to 30 November 2024. A bond has been provided by The London Borough of Barnet of up to £76,000, which is the amount actuarially assessed in June 2020 to meet the shortfall. For the purposes of these financial statements, the scheme is therefore accounted for on the same basis as a defined contribution scheme.

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

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##### n) Accounting estimates and key judgements

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Depreciation

As described in note 1h to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

##### Local Government Pension Scheme

As described in note 1m to the financial statements, no provision has been included with respect to the Local Government Pension Scheme as any deficit in respect of BEAT's employee and employer contributions has been guaranteed up to 30 November 2024.

## 2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	12 months to 2022 Total
	£	£	£
<b>Income from:</b>			
Donations	-	53,739	53,739
Charitable activities	601,880	1,005,425	1,607,305
Investments	-	12	12
<b>Total income</b>	<b>601,880</b>	<b>1,059,176</b>	<b>1,661,056</b>
<b>Expenditure on:</b>			
Raising funds	-	10,799	10,799
Charitable activities	601,880	983,174	1,585,054
<b>Total expenditure</b>	<b>601,880</b>	<b>993,973</b>	<b>1,595,853</b>
<b>Net income and net movement in funds</b>	<b>-</b>	<b>65,203</b>	<b>65,203</b>

# Barnet Education Arts Trust

## Notes to the financial statements

For the period ended 31 August 2023

### 3. Income from donations

	Restricted £	Unrestricted £	17 months to 2023 Total £	12 months to 2022 Total £
Coronavirus Job Retention Scheme	-	-	-	42,032
Donations	3,805	9,243	13,048	11,707
	<u>3,805</u>	<u>9,243</u>	<u>13,048</u>	<u>53,739</u>

All income from donations in the prior period was unrestricted.

### 4. Income from charitable activities

	Restricted £	Unrestricted £	17 months to 2023 Total £
<b>Grants and service level agreements</b>			
Arts Council Funding - Music Education Hubs	733,820	-	733,820
London Music Fund	6,505	-	6,505
Arts Council Funding - Teacher's Pension Contributions	110,506	-	110,506
Total grants and service level agreements	<u>850,831</u>	<u>-</u>	<u>850,831</u>
<b>Course contributions and other income</b>			
Schools income	-	616,469	616,469
Individual instrument tuition	-	984,077	984,077
A level music	-	29,235	29,235
Events	-	87,012	87,012
Music centres and activities	-	34,909	34,909
Instrument hire	-	11,974	11,974
Total course contributions and other income	<u>-</u>	<u>1,763,676</u>	<u>1,763,676</u>
<b>Total income from charitable activities</b>	<u>850,831</u>	<u>1,763,676</u>	<u>2,614,507</u>

**Barnet Education Arts Trust****Notes to the financial statements****For the period ended 31 August 2023****4. Income from charitable activities (continued)****Prior period comparatives**

	Restricted £	Unrestricted £	12 months to 2022 Total £
<b>Grants and service level agreements</b>			
Arts Council Funding - Music Education Hubs	516,648	-	516,648
London Music Fund	3,628	-	3,628
Arts Council Funding - Teacher's Pension Contributions	81,604	-	81,604
<b>Total grants and service level agreements</b>	<b>601,880</b>	<b>-</b>	<b>601,880</b>
<b>Course contributions and other income</b>			
Schools income	-	395,057	395,057
Individual instrument tuition	-	534,912	534,912
A level music	-	59,561	59,561
Events	-	10,900	10,900
Music centres and activities	-	1,629	1,629
Instrument hire	-	3,366	3,366
<b>Total course contributions and other income</b>	<b>-</b>	<b>1,005,425</b>	<b>1,005,425</b>
<b>Total income from charitable activities</b>	<b>601,880</b>	<b>1,005,425</b>	<b>1,607,305</b>

**5. Government grants**

The charitable company receives funding from Arts Council England to fund charitable activities. The total value of such grants in the period ending 31 August 2023 was £844,326 (2022: £640,284). There are no unfulfilled conditions or contingencies attaching to these grants in 2022-23.

# Barnet Education Arts Trust

## Notes to the financial statements

For the period ended 31 August 2023

### 6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	17 months to 2023 Total £
<b>Music lessons and events</b>				
Instruments and music	-	12,797	-	12,797
Music teachers (note 8)	20,683	1,801,036	-	1,821,719
Teacher training	-	4,326	-	4,326
External trainers and musicians	-	26,503	-	26,503
Educational partners	-	1,285	-	1,285
Events	-	84,878	-	84,878
Venue hire	-	27,439	-	27,439
Subscriptions	-	5,251	-	5,251
<b>Administrative costs</b>				
Printing, postage and stationery	-	-	6,356	6,356
Telecoms and computer	-	-	32,316	32,316
Equipment hire	-	-	873	873
Premises expenses	-	-	34,424	34,424
Insurance	-	-	21,505	21,505
Sundry	-	-	2,945	2,945
Bank charges	-	-	19,673	19,673
Payroll and human resources	-	-	9,323	9,323
Training and conferences	-	-	969	969
Staff (note 8)	-	-	314,174	314,174
Professional fees	-	-	13,046	13,046
Depreciation	-	-	5,843	5,843
<b>Sub-total</b>	20,683	1,963,515	461,447	2,445,645
Allocation of support and governance costs	-	461,447	(461,447)	-
<b>Total expenditure</b>	<b>20,683</b>	<b>2,424,962</b>	<b>-</b>	<b>2,445,645</b>

Total governance costs were £11,160 (2022: £9,900).



**Barnet Education Arts Trust**

**Notes to the financial statements**

**For the period ended 31 August 2023**

**6. Total expenditure (continued)**

**Prior period comparatives**

	Raising funds £	Charitable activities £	Support and governance costs £	12 months to 2022 Total £
<b>Music lessons and events</b>				
Instruments and music	-	5,307	-	5,307
Music teachers (note 8)	10,799	1,222,310	-	1,233,109
Teacher training	-	3,967	-	3,967
External trainers and musicians	-	11,151	-	11,151
Educational partners	-	550	-	550
Events	-	297	-	297
Venue hire	-	18,076	-	18,076
Subscriptions	-	2,883	-	2,883
<b>Administrative costs</b>				
Printing, postage and stationery	-	-	3,849	3,849
Telecoms and computer	-	-	21,284	21,284
Equipment hire	-	-	912	912
Premises expenses	-	-	27,198	27,198
Insurance	-	-	13,843	13,843
Sundry	-	-	31	31
Bank charges	-	-	13,193	13,193
Payroll and human resources	-	-	12,432	12,432
Training and conferences	-	-	1,008	1,008
Staff (note 8)	-	-	205,388	205,388
Professional fees	-	-	19,643	19,643
Depreciation	-	-	1,732	1,732
<b>Sub-total</b>	10,799	1,264,541	320,513	1,595,853
Allocation of support and governance costs	-	320,513	(320,513)	-
<b>Total expenditure</b>	10,799	1,585,054	-	1,595,853

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

##### 7. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	5,843	1,732
Trustees' reimbursed expenses	Nil	Nil
Trustees' remuneration	Nil	Nil
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	8,500	7,450
▪ Other services	900	800
Operating lease rentals	<u>33,976</u>	<u>24,049</u>

##### 8. Staff costs and numbers

Staff costs were as follows:

	17 months to 2023 £	12 months to 2023 £
Teachers wages	1,072,892	829,072
Teachers social security	57,597	44,279
Teachers pension	218,934	178,978
Self employed teachers	<u>472,296</u>	<u>180,780</u>
	1,821,719	1,233,109
Staff wages	237,047	154,434
Staff social security	22,722	14,965
Staff pension	<u>54,405</u>	<u>35,989</u>
	<u>2,135,893</u>	<u>1,438,497</u>

One employee received employee benefits (excluding employer pension costs) of between £60,000 and £70,000 during the period (2022: one).

The key management personnel of the charity comprise the Chief Executive Officer, the Directors of Standards and Excellence and Director of Participation and Learning. The total employee benefits of the key management personnel of the charity for the 17 month period was £255,758 (2022: £163,167 for 12 month period).

	17 months to 2023 No.	12 months to 2023 No.
Average head count during the year	<u>56</u>	<u>69</u>

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

##### 9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

##### 10. Tangible fixed assets

	Musical instruments £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2022	25,331	13,540	<b>38,871</b>
Additions	<u>18,551</u>	<u>3,318</u>	<u><b>21,869</b></u>
At 31 August 2023	<u>43,882</u>	<u>16,858</u>	<u><b>60,740</b></u>
<b>Depreciation</b>			
At 1 April 2022	25,331	12,270	<b>37,601</b>
Charge for the period	<u>4,250</u>	<u>1,593</u>	<u><b>5,843</b></u>
At 31 August 2023	<u>29,581</u>	<u>13,863</u>	<u><b>43,444</b></u>
<b>Net book value</b>			
<b>At 31 August 2023</b>	<u><b>14,301</b></u>	<u><b>2,995</b></u>	<u><b>17,296</b></u>
At 31 March 2022	<u>-</u>	<u>1,270</u>	<u>1,270</u>

##### 11. Debtors

	<b>31 August 2023 £</b>	31 March 2022 £
Trade debtors	<b>8,037</b>	119,979
Prepayments	<b>15,833</b>	19,960
Accrued income	<u><b>238</b></u>	<u>-</u>
	<u><b>24,108</b></u>	<u>139,939</u>

**Barnet Education Arts Trust****Notes to the financial statements****For the period ended 31 August 2023****12. Creditors : amounts due within 1 year**

	<b>31 August 2023 £</b>	<b>31 March 2022 £</b>
Trade creditors	<b>17,278</b>	28,219
Accruals	<b>15,288</b>	13,054
PAYE and social security	<b>22,549</b>	17,793
Deferred income (note 13)	<b>256,484</b>	268,582
Other creditors	<b>23,823</b>	1,494
	<b><u>335,422</u></b>	<b><u>329,142</u></b>

**13. Deferred income**

	<b>31 August 2023 £</b>	<b>31 March 2022 £</b>
At 1 April 2022	<b>268,582</b>	153,902
Amounts deferred during the period	<b>256,484</b>	268,582
Amounts released during the period	<b>(268,582)</b>	(153,902)
At 31 August 2023	<b><u>256,484</u></b>	<b><u>268,582</u></b>

Deferred income relates to music lessons, instrument hire and events income which has been invoiced for in advance.

**14. Analysis of net assets between funds**

	<b>Restricted funds £</b>	<b>Designated funds £</b>	<b>General funds £</b>	<b>Total funds £</b>
Tangible fixed assets	-	-	17,296	<b>17,296</b>
Current assets	12,961	78,437	1,023,989	<b>1,115,387</b>
Current liabilities	-	-	(335,422)	<b>(335,422)</b>
<b>Net assets at 31 August 2023</b>	<b><u>12,961</u></b>	<b><u>78,437</u></b>	<b><u>705,863</u></b>	<b><u>797,261</u></b>

**Barnet Education Arts Trust**

**Notes to the financial statements**

**For the period ended 31 August 2023**

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**14. Analysis of net assets between funds (continued)**

**Prior period comparative**

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,270	1,270
Current assets	12,961	78,437	845,533	936,931
Current liabilities	-	-	(329,142)	(329,142)
<b>Net assets at 31 March 2022</b>	<u>12,961</u>	<u>78,437</u>	<u>517,661</u>	<u>609,059</u>

## Barnet Education Arts Trust

### Notes to the financial statements

For the period ended 31 August 2023

#### 15. Movements in funds

	At 1 April 2022 £	Income £	Expenditure £	At 31 August 2023 £
<b>Restricted funds</b>				
Arts Council Funding - Music				
Education Hubs	-	733,820	(733,820)	-
London Music Fund	-	6,505	(6,505)	-
Royal Albert Hall Concert	12,961	-	-	<b>12,961</b>
Arts Council Funding - Teacher's				
Pension Contributions	-	110,506	(110,506)	-
Other grants < £5k	-	3,805	(3,805)	-
<b>Total restricted funds</b>	<b>12,961</b>	<b>854,636</b>	<b>(854,636)</b>	<b>12,961</b>
<b>Unrestricted funds</b>				
<i>Designated funds</i>				
Teachers' Pensions	78,437	-	-	<b>78,437</b>
<i>Total designated funds</i>	78,437	-	-	<b>78,437</b>
General funds	517,661	1,779,211	(1,591,009)	<b>705,863</b>
<b>Total unrestricted funds</b>	<b>596,098</b>	<b>1,779,211</b>	<b>(1,591,009)</b>	<b>784,300</b>
<b>Total funds</b>	<b>609,059</b>	<b>2,633,847</b>	<b>(2,445,645)</b>	<b>797,261</b>

#### Purposes of restricted funds

##### *Arts Council Funding - Music Education Hubs*

The Music Education grant is awarded following a written submission to the Arts Council as to the activities which will be provided. This written submission can be found on the Arts Council website - all activities undertaken are reported directly to the Arts Council on a quarterly basis. The purpose of the grant is to provide music education activities to young people attending school in or living in the London Borough of Barnet.

##### *London Music Fund*

This grant is to provide music scholarships for named children agreed by the office of the Mayor's fund for Music Education. The scholarships provide for the cost of music tuition on one instrument and ensemble provision for each child named.

##### *Royal Albert Hall Concert*

£12,961 of donations during 2019-20 were explicitly collected to support a Royal Albert Hall event. As it had to be cancelled due to COVID-19 these funds remain restricted and will be used for the rescheduled event planned for 2024-25.

## Barnet Education Arts Trust

### Notes to the financial statements

For the period ended 31 August 2023

#### 15. Movements in funds (continued)

##### Purposes of restricted funds (continued)

###### *Arts Council Funding - Teacher's Pension Contributions*

This grant is awarded towards Music Education Hubs' Teachers Pension contributions for 2022-23. It is allocated by the Department for Education in recognition of the increase of employers' pension contributions from September 2019.

##### Purposes of designated funds

###### *Teachers' Pensions*

This designated fund represents funds placed on deposit as a guarantee for teachers' pensions. Without this amount the Teachers' Pensions organisation would not allow BEAT teachers to remain in the Teachers' Pension Scheme.

Prior period comparatives	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
<b>Restricted funds</b>				
Arts Council Funding - Music Education Hubs	-	516,648	(516,648)	-
London Music Fund	-	3,628	(3,628)	-
Royal Albert Hall Concert	12,961	-	-	12,961
Arts Council Funding - Teacher's Pension Contributions	-	81,604	(81,604)	-
<b>Total restricted funds</b>	<b>12,961</b>	<b>601,880</b>	<b>(601,880)</b>	<b>12,961</b>
<b>Unrestricted funds</b>				
<i>Designated funds</i>				
Teachers' Pensions	78,437	-	-	78,437
<i>Total designated funds</i>	78,437	-	-	78,437
General funds	452,458	1,059,176	(993,973)	517,661
<b>Total unrestricted funds</b>	<b>530,895</b>	<b>1,059,176</b>	<b>(993,973)</b>	<b>596,098</b>
<b>Total funds</b>	<b>543,856</b>	<b>1,661,056</b>	<b>(1,595,853)</b>	<b>609,059</b>

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

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##### 16. Operating lease rentals

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2023 £	2022 £
Amount falling due:		
Within 1 year	10,097	24,049
Within 1 - 5 years	<u>1,473</u>	<u>12,283</u>
	<u>11,570</u>	<u>36,332</u>

##### 17. Related party transactions

Colin Dowland, trustee, is also Co-Headteacher at Woodridge Primary School. During the period, the charity received £8,723 from the school for services provided. At year end, £370 was outstanding.

Jayne Barnes, trustee until 1 September 2022, is Head of Music at Ark Pioneer Academy. During the period, the charity received £10,409 from the school for services provided. No amounts were outstanding at year end.

Neil Marlow and Katie Dawbarn, both trustees, are employed by Barnet Education and Learning Service (BELS). During the period, the charity received £1,463 from BELS for services provided. At year end, £150 was outstanding.



Company no. 08310735  
Charity no. 1150174

**Barnet Education Arts Trust**  
**Report and Audited Financial Statements**  
**31 August 2023**

## Barnet Education Arts Trust

### Reference and administrative details

**For the period ended 31 August 2023**

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<b>Company number</b>	08310735
<b>Charity number</b>	1150174
<b>Registered office and operational address</b>	Barnet Music Hub Dollis Primary School Pursley Road London NW7 2BU
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Martin Baker                      Chair Jayne Barnes                      Resigned 1 September 2022 Annwen Bates Jasmine Bates                      Resigned 31 August 2022 Tim Clark                          Resigned 27 June 2022 Katie Dawbarn Colin Dowland Philip Elgar Alexandra Gess                      Appointed 4 December 2023 Smiljana Kadelburg                      Appointed 27 June 2022 Samuel Kunda                      Appointed 4 December 2023 Neil Marlow Mary Musker                      Resigned 5 December 2022 Ola Nwakodo                      Appointed 4 December 2023 Bradley Travis Peter White
<b>Chief executive officer</b>	Sharon Broughall
<b>Company secretary</b>	Smiljana Kadelburg
<b>Bankers</b>	The Co-operative Bank 80 Cornhill London EC3V 3NJ ME19 4JQ
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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The trustees present their report and the audited financial statements for the period ended 31 August 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

### **Structure, governance and management**

#### **Legal status, date of incorporation and date of charity registration**

This charitable company limited by guarantee was incorporated on 28 November 2012. Charitable registration was completed on 13 December 2012.

**The governing document** is the articles of association agreed on 28 November 2012.

Trustees are appointed and recruited by the board by advertisement and interview. Upon selection they are required to complete a satisfactory DBS check. At present there are two local authority trustees (to represent the needs of the local community), one primary school head teacher, one ex schools' inspector, secondary head of music, one ex-student, three local residents, and an ex director of children's services.

**Trustees** are inducted at their first meeting and then mentored by existing trustees at committee meetings.

#### **Organisational structure**

The CEO is responsible for the day to day running of the organisation and line manages three directors and two senior managers, the finance officer and three administrative staff. There are a further 49 teaching staff and line management responsibilities for them are shared among the senior staff.

**Strategic decisions** are made by the board of trustees as to the direction of the work carried out by BEAT and the use of charitable funds. There is a chairman and a number of committees with differing membership to support the work of the CEO and the senior leadership team of the organisation. These committees will usually report back to the board before any decisions are taken.

The CEO will take decisions on a day to day basis and refer to the chairman when appropriate. There is a company secretary who is responsible for preparing the accounts and reporting to the trustees at quarterly meetings.

BEAT is a member of Music Mark, the federation supporting the work of music hubs.

#### **Partnerships**

There are a number of key partners at any one time. The most significant of these is with Arts Council England which monitors the work of all music hubs and releases the music education grant to them on receipt of any required data and reporting.

Music partners in 2022-2023 have included Charanga, artsdepot, Charles Court Opera, Barnet's Virtual School, Brass Band England, Indonesian gamelan and puppetry and London Music Fund.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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BEAT has strong partnerships with schools and works with and in nearly all schools in the London Borough of Barnet.

#### **Pay policy**

BEAT has developed a grade structure to meet the needs of staff with a wide range of qualifications and experience and follows performance-related pay. The pay of all senior and teaching staff uses Teachers' Pay and Conditions Document as a framework. Administrative staff are given the same percentage pay rises as teaching staff. The CEO pay point is decided by trustees at performance management meetings and falls into a seven point scale on the leadership scale for head teachers and senior leaders in schools. Other senior managers' pay is decided by the CEO. Their pay will always fall within a range of leadership scale pay points at least 5 points apart from the CEO pay.

#### **Our strategic objectives**

Our vision is to be the nucleus for high quality music education in Barnet, offering opportunities for a breadth of musical pathways, with a delivery that encompasses our 4 core values; Nurture, Include, Aspire and Excel.

Our key goals are:

- To promote high quality music education – to grow our work in schools and with the community to reach more children & young people. Model high quality, inspirational, inclusive and sustainable music education;
- To support and advocate for increased diversity, inclusion and equitable access to music education;
- To build sustainable progressive pathways and nurture musical talent, encouraging children and young people to access and participate in an exciting range of targeted musical and cultural learning programmes; and
- To work collaboratively with a range of partner organisations to provide additional opportunities to enrich and develop our offer.

BEAT has continued to ensure that our vulnerable children do not miss out. BEAT continues to use core government funds to ensure we can implement our remissions policy for our pupils and families.

#### **Governance and management**

The trust is governed by a board of trustees who will report to the Charities Commission.

The board of trustees meet frequently, to keep abreast of key issues such as cashflow, staffing levels and government guidelines for schools. Having the optimal mix of skills, expertise and experience is paramount to ensure that the board of trustees, as a collective, is equipped to guide the business and strategy of BEAT. The finance sub-committee has met termly to keep the finances under regular review.

Trustees to:

- Have a shared, consistent and clear understanding of the current position;
- Support the CEO through regular meetings and introduction of sub-committees in areas of concern;
- Identify ongoing risks and apply any necessary mitigations; and
- Monitor the strategy, agrees the business plan and monitors progress against agreed targets included in the business plan.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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Management, senior management team to:

- Deliver a strong, consistent message to new and engaged audiences;
- Inform and update ACE throughout;
- Ongoing engagement with schools and parents specifically to clarify their needs;
- Decide which services can continue to be provided, amended, delivered differently or suspended;
- Engage closely with the community, stakeholders and influencers - locally, regionally and nationally - to support and champion music education; and
- Introduce activities and strategies to maintain pupil engagement.

#### **Programme of activity**

We have aimed to promote a strong programme of activity which aimed to be innovative and flexible so we could keep music alive for our young people whilst meeting the ongoing challenges posed by the cost in living crisis. Further details below provide a summary of what happened and key achievements.

**The main charitable outcomes and achievements for 2022-2023 are outlined below. Over the course of the whole year we:**

- Worked in partnership with 113 schools (4 independent schools), 89% of those in the area, with 81% on delivering at least one core role;
- Delivered our Infant Music Festival with 51 schools participating, involving 2,700 children;
- Delivered our Barnet Schools Music Festival with 47 primary and 5 secondary schools participating, involving 1,475 children & young people;
- Delivered our Secondary Celebration of Singing with 8 secondary schools, involving nearly 200 young people;
- Delivered 112 whole class projects in 41 schools, reaching 3,536 children;
- Delivered a whole class celebration concert with 6 primary schools, involving 255 children;
- Continued to deliver our 'Access for All' ensemble at Mapledown School, a secondary day school (11-19 years) catering for children and young people with Severe Learning Difficulties (SLD), Autism (ASC) and those with profound and multiple learning difficulties (PMLD) extending it to one additional SEN school in Autumn 2022 and one additional primary school with additional resources for autism during the spring term and summer term;
- Supported all Barnet schools in their delivery of curriculum with regular advice, network meetings, consultations and CPD; in 22/23, we have run one network event and 11 CPD events - 54 staff from 43 primary, two independent schools and five secondary schools have attended these events;
- BEAT currently operates 41 ensembles on a weekly basis;
- Delivered 14 holiday courses involving 131 children;
- Offered CPD opportunities for BEAT staff. Staff attended an inset day, first aid at work, trauma informed training and two senior leaders participated in the High Impact Teaching in Music Hubs CPD;
- Provided remission of instrumental tuition fees for children in care or eligible for pupil premium attending school where BEAT provides the teachers. 13 children in care are in receipt of free instrumental tuition and 351 children eligible for pupil premium have received remission of fees;
- Continued to provide nine scholarships through the London Music. BEAT has continued to provide funding for 10 scholars even after their 4-year scholarship period has ended;
- Extended our offer to include DJing, offering subsidised workshops to seven schools;
- Initiated a pilot A level music consortium program with four students. Alongside the programme, we have initiated GCSE solo performance masterclasses and composition workshops;

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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- Delivered a four day summer holiday music experience in collaboration with artsdepot, accommodating 40 students with 20 free places reserved for children in receipt of FSM;
- Formed new partnerships with Charles Court Opera, Barnet Virtual school, and Young Barnet Foundation;
- Continued to build and develop relationships with the Indonesian Embassy, London Music fund, artsdepot, Brass Band England, Charanga and Barnet 0-19 Early Help Service;
- Organised our 10th Anniversary Concert at St Johns Smith Square with over 100 young musicians to a sold out audience;
- Participated in the BBE Youth Champs 2023 for the first time, with our Barnet Youth Brass Band;
- Established a Youth Voice Council, whose first public appearance was to host our 10th Anniversary concert; and
- Delivered a tour to Normandy in July, involving 34 children and young people.

#### **Public benefit**

At present BEAT provides opportunities in music education for all young people in Barnet. This includes providing musicians and teachers to work with young people in schools and elsewhere. This includes providing lessons, performance opportunities, workshops and ensembles for these young people to play in. The musicians and teachers provided are also offered training opportunities to develop their own skills.

The public benefit is that young people will develop their social and cultural skills through participating in these activities. The families of these young people will also benefit from the cultural events they may attend that the young people are taking part in. The trustees are mindful of the importance of public benefit that the organisation brings and there is always an item on the board meetings agenda for the use of raised monies. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives for the year.

#### **Fundraising**

##### **Annual statements about fundraising**

- BEAT has not employed a commercial organisation to fundraise. An existing employee has taken on the role of fundraiser;
- This employee has not subscribed to any scheme for standards or regulation. There has been no failure in regulation;
- The charity monitors the fundraising activities of the employee through regular meetings, e-mails and telephone discussions;
- There have been no complaints with regard to the fundraising activities of BEAT; and
- BEAT does not actively pursue donors for donations – all are voluntary.

##### **The main fundraising activities during 2022-2023 were for:**

- Children whose families are unable to meet the cost of learning to play an instrument;
- Funding the SEN orchestra development;
- Support for delivering out inclusion strategy; and
- Support for children and young people participating in the Normandy Tour.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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##### **Fundraising results for 2022-23**

Commission from Amazon, Virgin, Allianz, Easy Fundraising	280
Friern Barnet Education Trust	2,205
Barnet Virtual School	3,000
Young Barnet Foundation	1,600
Tuck Shops and Concerts	5,963
	<hr/>
<b>Total</b>	<b>13,048</b>

##### **Financial review**

###### **Reserves policy**

The reserves policy states that the BEAT reserves should be at least 15% of annual expenditure or three months salary costs, whichever is greater. This would represent a sum of £377k.

BEAT successfully applied for the government Culture Recovery Grant in 2020-21 and received a sum of £300,000 which has been used, at this stage, to boost the reserves.

It has been necessary to deposit a part of BEAT's reserves (£78,437) into a separate account as a guarantee for teachers' pensions. This is held in a designated fund. Without this amount the teachers' pensions would not allow BEAT teachers to remain in the Teachers' Pension Scheme.

General unrestricted funds at 31 August 2023 stand at £705,863. This is in excess of the current policy.

###### **Main sources of funding**

The main source of funds this year came from government grants (32%). These included Arts Council's Music Education grant (28% of turnover) and Teachers' Pension increase support grant (4% of turnover). BEAT's income from charging parents and schools for lessons is 67% of turnover this year.

###### **Expenditure**

74% of expenditure has been spent on maintaining teachers' pay, delivering music tuition, performances or rehearsals – this is identified in direct costs.

###### **Future aims**

Barnet Education Arts Trust is committed to providing a flexible, professional service that offers value for money. No profit is made from the services we offer and all charges are based on the cost for delivery.

We will continue to work closely with schools in a variety of ways to ensure that the services we provide are the most appropriate to their needs and those of their children and young people.

By aligning with our strategic goals and the smart objectives of the Music Education Hub, BEAT will focus on enriching the participation of children and young individuals in our programs. This entails increasing the percentage of schools involved with BEAT in fundamental roles like instrumental tuition, BEAT's singing strategy, Whole Class Ensemble Tuition (WCET), and curriculum support. Our goal is to establish pathways for progression, allowing individuals to pursue their musical interests to any desired extent.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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BEAT will continue to ensure that our vulnerable children do not miss out, using core government funds to ensure we can implement our remissions policy for our pupils and families. Our discretionary fund aims to reach those families who may not meet the criteria for pupil premium fund but who've a specific and demonstrable financial need.

In the forthcoming year, BEAT strategically centers its efforts on two primary objectives. Firstly, a deliberate initiative is underway to expand the number of children learning orchestral instruments and attending our music academies. The impact of the pandemic has notably driven increased participation in piano, guitar, and drum kit lessons, contributing to a shift that has affected our ensemble provision. Secondly, Equity, Diversity, and Inclusion (EDI) persist as core focal points, with dedicated attention given to expanding the Youth Voice Council. This council plays a pivotal role in cultivating an inclusive environment, ensuring diverse perspectives actively shape the ongoing development of the organisation.

#### **Funds held as custodian trustee on behalf of others**

None.

#### **Risk statement**

##### **Identified risks**

1. Insufficient numbers of trustees willing to be members of the board.

Risk level - low

This is a popular organisation and the articles of association provide that all trustees will remain in post for sufficient time to ensure that not all will resign from post at the same time.

2. Lack of appropriate knowledge / expertise in board members.

Risk level - medium

The makeup of the board ensures that sufficient trustees are appointed with knowledge of the music education and arts sector. There is a vacancy at present for a trustee with a HR, company law or charity law background – the board are actively trying to recruit such a member.

3. Financial risk caused by the growth of the school population and the subsequent increase in demand for the remission of fees and free whole class tuition.

Risk level - medium

There is an increase in the grant this year from the Arts Council which will cover the increase in demand. The CEO and Company Secretary will both monitor on a monthly basis the increase in demand and any subsequent financial implications and will take measures to reduce this if necessary. These could include limiting the number of available remissions, asking schools to contribute to these remissions and also asking schools to contribute to the cost of the whole class instrumental tuition programme.

4. The Music Education Grant not continuing beyond August 2024

Risk level - high

The impact of this is that BEAT would not be able to sustain the present level of activity which would have implications on staffing and the musical offer to young people.



## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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5. The London Borough of Barnet not extending the guarantee for the Local Government Pension Scheme (LGPS) Deficit.

Risk level – high

When employees from the London Borough of Barnet were TUPEd across to BEAT there were two part time employees in the LGPS. One has since retired and the second, who remains in the scheme, is not due to retire for another 16 years. In 2018 the actuary from the London Borough of Barnet assessed the deficit as at least £40,000. The London Borough of Barnet issued a Bond Renewal Agreement on 2 March 2022 continuing to be a guarantor until 30 November 2024. It was agreed the sum guaranteed would be in line with the previous agreement.

#### **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which 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 charity 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 auditors are unaware; and
- 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 auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Barnet Education Arts Trust**

### **Report of the trustees**

#### **For the period ended 31 August 2023**

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Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### **Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 11 March 2024 and signed on their behalf by



Martin Baker - Chair

## **Independent auditors' report**

### **To the members of**

#### **Barnet Education Arts Trust**

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#### **Opinion**

We have audited the financial statements of Barnet Education Arts Trust (the 'charity') for the period ended 31 August 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, 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 charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

### **To the members of**

#### **Barnet Education Arts Trust**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- The financial statements are not in agreement with the accounting records and returns;
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Our 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.

## **Independent auditors' report**

### **To the members of**

#### **Barnet Education Arts Trust**

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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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditors' report**

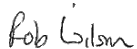
**To the members of**

**Barnet Education Arts Trust**

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### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 11 March 2024

**Rob Wilson FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

# Barnet Education Arts Trust

## Statement of financial activities (incorporating an income and expenditure account)

For the period ended 31 August 2023

				17 months to 2023 Total £	12 months to 2022 Total £
	Note	Restricted £	Unrestricted £		
<b>Income from:</b>					
Donations and legacies	3	3,805	9,243	<b>13,048</b>	53,739
Charitable activities	4	850,831	1,763,676	<b>2,614,507</b>	1,607,305
Investments		-	6,292	<b>6,292</b>	12
<b>Total income</b>		<u>854,636</u>	<u>1,779,211</u>	<u><b>2,633,847</b></u>	<u>1,661,056</u>
<b>Expenditure on:</b>					
Raising funds		-	20,683	<b>20,683</b>	10,799
Charitable activities		<u>854,636</u>	<u>1,570,326</u>	<u><b>2,424,962</b></u>	<u>1,585,054</u>
<b>Total expenditure</b>	6	<u>854,636</u>	<u>1,591,009</u>	<u><b>2,445,645</b></u>	<u>1,595,853</u>
<b>Net income and net movement in funds</b>	7	-	188,202	<b>188,202</b>	65,203
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>12,961</u>	<u>596,098</u>	<u><b>609,059</b></u>	<u>543,856</u>
<b>Total funds carried forward</b>		<u><u>12,961</u></u>	<u><u>784,300</u></u>	<u><u><b>797,261</b></u></u>	<u><u>609,059</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the accounts.

# Barnet Education Arts Trust

## Balance sheet

As at 31 August 2023

	Note	£	31 August 2023 £	31 March 2022 £
<b>Fixed assets</b>				
Tangible assets	10		17,296	1,270
<b>Current assets</b>				
Debtors	11	24,108		139,939
Cash at bank and in hand		<u>1,091,279</u>		<u>796,992</u>
			1,115,387	936,931
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	12	<u>(335,422)</u>		<u>(329,142)</u>
<b>Net current assets</b>			<u>779,965</u>	<u>607,789</u>
<b>Net assets</b>	14		<u><u>797,261</u></u>	<u><u>609,059</u></u>
<b>Funds</b>	15			
Restricted funds			12,961	12,961
Unrestricted funds:				
Designated funds			78,437	78,437
General funds			<u>705,863</u>	<u>517,661</u>
<b>Total charity funds</b>			<u><u>797,261</u></u>	<u><u>609,059</u></u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 11 March 2024 and signed on their behalf by

*Martin Baker*

Martin Baker - Chair



**Barnet Education Arts Trust****Statement of cash flows****For the period ended 31 August 2023**

	<b>31 August 2023 £</b>	<b>31 March 2022 £</b>
<b>Cash used in operating activities:</b>		
<b>Net movement in funds</b>	<b>188,202</b>	65,203
Adjustments for:		
Fixed asset additions	<b>(21,869)</b>	(1,694)
Depreciation charges	<b>5,843</b>	1,732
Interest received	<b>(6,292)</b>	(12)
Decrease / (increase) in debtors	<b>115,831</b>	(48,327)
Increase in creditors	<b>6,280</b>	101,448
<b>Net cash provided by operating activities</b>	<b>287,995</b>	118,350
<b>Cash flows from investing activities:</b>		
Interest received	<b>6,292</b>	12
<b>Net cash provided by operating activities</b>	<b>6,292</b>	12
<b>Increase in cash and cash equivalents in the year</b>	<b>294,287</b>	118,362
Cash and cash equivalents at the beginning of the year	<b>796,992</b>	678,630
<b>Cash and cash equivalents at the end of the year</b>	<b>1,091,279</b>	796,992

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## **Barnet Education Arts Trust**

### **Notes to the financial statements**

**For the period ended 31 August 2023**

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#### **1. Accounting policies**

##### **a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Barnet Education 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 note.

##### **b) Going concern basis of accounting**

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### **c) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of music lessons, instrument hire or for future events is deferred until criteria for income recognition are met.

##### **d) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### **e) Funds accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## **Barnet Education Arts Trust**

### **Notes to the financial statements**

#### **For the period ended 31 August 2023**

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##### **f) Expenditure and irrecoverable VAT**

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

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

##### **g) Allocation of support and governance costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities which is deemed to be reflective of the activities of the charity in this period.

##### **h) Tangible fixed assets**

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

All fixed assets	4 years
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Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

##### **i) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### **j) Cash at bank and in hand**

Cash at bank and cash 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.

##### **k) Financial instruments**

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

##### **l) Defined contribution pension scheme**

The charitable company operates a defined contribution pension scheme for 2 of its employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. Pension costs charged in the financial statements represent the contributions payable by the charitable company during the period.

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

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##### **m) Defined benefit pension schemes treated as defined contribution pension schemes**

###### *Teachers' Pension Scheme*

The charity makes pension contributions to the Teachers Pension Scheme which is a contracted out, unfunded, defined benefit occupational pension scheme operated by the Department for Education. Contributions to the scheme by employers and employees are set at rates determined by the Secretary of State. The scheme's payments are partially funded by the employer and employee contributions, the balance of funding being provided by Parliament through the annual Supply Estimates process. The scheme's administrative expenses are borne by the Department for Education.

The scheme has in excess of 3,700 participating employers and consequently the charity is not able to identify its share of the underlying financial position and performance of the scheme with sufficient reliability for accounting purposes. For the purposes of these financial statements, it is therefore accounted for on the same basis as a defined contribution scheme.

###### *Local Government Pension Scheme*

Barnet Education Arts Trust (BEAT) operates the services previously offered by Barnet Music Service, which was part of the local authority of The London Borough of Barnet. The assets and liabilities of the Barnet Music Service were transferred to BEAT in February 2013, including all staff of the service and responsibility for their pension schemes.

BEAT now participates in the Local Government Pension Scheme (LGPS), the scheme manager/administering authority being the London Borough of Barnet. The charity makes pension contributions for 1 employee who was previously employed by the Barnet Music Service. The scheme is closed to new members. This scheme is a funded defined benefit final salary scheme, meaning that the charity and employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The charity has not recognised any provision with respect to this scheme as any deficit in respect of BEAT's employee and employer contributions has been guaranteed by the London Borough of Barnet up to 30 November 2024. A bond has been provided by The London Borough of Barnet of up to £76,000, which is the amount actuarially assessed in June 2020 to meet the shortfall. For the purposes of these financial statements, the scheme is therefore accounted for on the same basis as a defined contribution scheme.

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

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##### n) Accounting estimates and key judgements

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Depreciation

As described in note 1h to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

##### Local Government Pension Scheme

As described in note 1m to the financial statements, no provision has been included with respect to the Local Government Pension Scheme as any deficit in respect of BEAT's employee and employer contributions has been guaranteed up to 30 November 2024.

## 2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	12 months to 2022 Total
	£	£	£
<b>Income from:</b>			
Donations	-	53,739	53,739
Charitable activities	601,880	1,005,425	1,607,305
Investments	-	12	12
<b>Total income</b>	<b>601,880</b>	<b>1,059,176</b>	<b>1,661,056</b>
<b>Expenditure on:</b>			
Raising funds	-	10,799	10,799
Charitable activities	601,880	983,174	1,585,054
<b>Total expenditure</b>	<b>601,880</b>	<b>993,973</b>	<b>1,595,853</b>
<b>Net income and net movement in funds</b>	<b>-</b>	<b>65,203</b>	<b>65,203</b>

# Barnet Education Arts Trust

## Notes to the financial statements

For the period ended 31 August 2023

### 3. Income from donations

	Restricted £	Unrestricted £	17 months to 2023 Total £	12 months to 2022 Total £
Coronavirus Job Retention Scheme	-	-	-	42,032
Donations	<u>3,805</u>	<u>9,243</u>	<u>13,048</u>	<u>11,707</u>
	<u>3,805</u>	<u>9,243</u>	<u>13,048</u>	<u>53,739</u>

All income from donations in the prior period was unrestricted.

### 4. Income from charitable activities

	Restricted £	Unrestricted £	17 months to 2023 Total £
<b>Grants and service level agreements</b>			
Arts Council Funding - Music Education Hubs	733,820	-	<b>733,820</b>
London Music Fund	6,505	-	<b>6,505</b>
Arts Council Funding - Teacher's Pension Contributions	<u>110,506</u>	<u>-</u>	<u><b>110,506</b></u>
Total grants and service level agreements	<u>850,831</u>	<u>-</u>	<u><b>850,831</b></u>
<b>Course contributions and other income</b>			
Schools income	-	616,469	<b>616,469</b>
Individual instrument tuition	-	984,077	<b>984,077</b>
A level music	-	29,235	<b>29,235</b>
Events	-	87,012	<b>87,012</b>
Music centres and activities	-	34,909	<b>34,909</b>
Instrument hire	<u>-</u>	<u>11,974</u>	<u><b>11,974</b></u>
Total course contributions and other income	<u>-</u>	<u>1,763,676</u>	<u><b>1,763,676</b></u>
<b>Total income from charitable activities</b>	<u>850,831</u>	<u>1,763,676</u>	<u><b>2,614,507</b></u>

**Barnet Education Arts Trust****Notes to the financial statements****For the period ended 31 August 2023****4. Income from charitable activities (continued)****Prior period comparatives**

	Restricted £	Unrestricted £	12 months to 2022 Total £
<b>Grants and service level agreements</b>			
Arts Council Funding - Music Education Hubs	516,648	-	516,648
London Music Fund	3,628	-	3,628
Arts Council Funding - Teacher's Pension Contributions	81,604	-	81,604
Total grants and service level agreements	601,880	-	601,880
<b>Course contributions and other income</b>			
Schools income	-	395,057	395,057
Individual instrument tuition	-	534,912	534,912
A level music	-	59,561	59,561
Events	-	10,900	10,900
Music centres and activities	-	1,629	1,629
Instrument hire	-	3,366	3,366
Total course contributions and other income	-	1,005,425	1,005,425
<b>Total income from charitable activities</b>	<b>601,880</b>	<b>1,005,425</b>	<b>1,607,305</b>

**5. Government grants**

The charitable company receives funding from Arts Council England to fund charitable activities. The total value of such grants in the period ending 31 August 2023 was £844,326 (2022: £640,284). There are no unfulfilled conditions or contingencies attaching to these grants in 2022-23.

# Barnet Education Arts Trust

## Notes to the financial statements

For the period ended 31 August 2023

### 6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	17 months to 2023 Total £
<b>Music lessons and events</b>				
Instruments and music	-	12,797	-	12,797
Music teachers (note 8)	20,683	1,801,036	-	1,821,719
Teacher training	-	4,326	-	4,326
External trainers and musicians	-	26,503	-	26,503
Educational partners	-	1,285	-	1,285
Events	-	84,878	-	84,878
Venue hire	-	27,439	-	27,439
Subscriptions	-	5,251	-	5,251
<b>Administrative costs</b>				
Printing, postage and stationery	-	-	6,356	6,356
Telecoms and computer	-	-	32,316	32,316
Equipment hire	-	-	873	873
Premises expenses	-	-	34,424	34,424
Insurance	-	-	21,505	21,505
Sundry	-	-	2,945	2,945
Bank charges	-	-	19,673	19,673
Payroll and human resources	-	-	9,323	9,323
Training and conferences	-	-	969	969
Staff (note 8)	-	-	314,174	314,174
Professional fees	-	-	13,046	13,046
Depreciation	-	-	5,843	5,843
<b>Sub-total</b>	20,683	1,963,515	461,447	2,445,645
Allocation of support and governance costs	-	461,447	(461,447)	-
<b>Total expenditure</b>	<b>20,683</b>	<b>2,424,962</b>	<b>-</b>	<b>2,445,645</b>

Total governance costs were £11,160 (2022: £9,900).



**Barnet Education Arts Trust**

**Notes to the financial statements**

**For the period ended 31 August 2023**

**6. Total expenditure (continued)**

**Prior period comparatives**

	Raising funds £	Charitable activities £	Support and governance costs £	12 months to 2022 Total £
<b>Music lessons and events</b>				
Instruments and music	-	5,307	-	5,307
Music teachers (note 8)	10,799	1,222,310	-	1,233,109
Teacher training	-	3,967	-	3,967
External trainers and musicians	-	11,151	-	11,151
Educational partners	-	550	-	550
Events	-	297	-	297
Venue hire	-	18,076	-	18,076
Subscriptions	-	2,883	-	2,883
<b>Administrative costs</b>				
Printing, postage and stationery	-	-	3,849	3,849
Telecoms and computer	-	-	21,284	21,284
Equipment hire	-	-	912	912
Premises expenses	-	-	27,198	27,198
Insurance	-	-	13,843	13,843
Sundry	-	-	31	31
Bank charges	-	-	13,193	13,193
Payroll and human resources	-	-	12,432	12,432
Training and conferences	-	-	1,008	1,008
Staff (note 8)	-	-	205,388	205,388
Professional fees	-	-	19,643	19,643
Depreciation	-	-	1,732	1,732
<b>Sub-total</b>	10,799	1,264,541	320,513	1,595,853
Allocation of support and governance costs	-	320,513	(320,513)	-
<b>Total expenditure</b>	10,799	1,585,054	-	1,595,853

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

##### 7. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	5,843	1,732
Trustees' reimbursed expenses	Nil	Nil
Trustees' remuneration	Nil	Nil
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	8,500	7,450
▪ Other services	900	800
Operating lease rentals	<u>33,976</u>	<u>24,049</u>

##### 8. Staff costs and numbers

Staff costs were as follows:

	17 months to 2023 £	12 months to 2023 £
Teachers wages	1,072,892	829,072
Teachers social security	57,597	44,279
Teachers pension	218,934	178,978
Self employed teachers	<u>472,296</u>	<u>180,780</u>
	1,821,719	1,233,109
Staff wages	237,047	154,434
Staff social security	22,722	14,965
Staff pension	<u>54,405</u>	<u>35,989</u>
	<u>2,135,893</u>	<u>1,438,497</u>

One employee received employee benefits (excluding employer pension costs) of between £60,000 and £70,000 during the period (2022: one).

The key management personnel of the charity comprise the Chief Executive Officer, the Directors of Standards and Excellence and Director of Participation and Learning. The total employee benefits of the key management personnel of the charity for the 17 month period was £255,758 (2022: £163,167 for 12 month period).

	17 months to 2023 No.	12 months to 2023 No.
Average head count during the year	<u>56</u>	<u>69</u>

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

#### 9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 10. Tangible fixed assets

	Musical instruments £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2022	25,331	13,540	<b>38,871</b>
Additions	<u>18,551</u>	<u>3,318</u>	<u><b>21,869</b></u>
At 31 August 2023	<u>43,882</u>	<u>16,858</u>	<u><b>60,740</b></u>
<b>Depreciation</b>			
At 1 April 2022	25,331	12,270	<b>37,601</b>
Charge for the period	<u>4,250</u>	<u>1,593</u>	<u><b>5,843</b></u>
At 31 August 2023	<u>29,581</u>	<u>13,863</u>	<u><b>43,444</b></u>
<b>Net book value</b>			
<b>At 31 August 2023</b>	<u><b>14,301</b></u>	<u><b>2,995</b></u>	<u><b>17,296</b></u>
At 31 March 2022	<u>-</u>	<u>1,270</u>	<u>1,270</u>

#### 11. Debtors

	<b>31 August 2023 £</b>	31 March 2022 £
Trade debtors	<b>8,037</b>	119,979
Prepayments	<b>15,833</b>	19,960
Accrued income	<u><b>238</b></u>	<u>-</u>
	<u><b>24,108</b></u>	<u>139,939</u>

**Barnet Education Arts Trust****Notes to the financial statements****For the period ended 31 August 2023****12. Creditors : amounts due within 1 year**

	<b>31 August 2023 £</b>	<b>31 March 2022 £</b>
Trade creditors	<b>17,278</b>	28,219
Accruals	<b>15,288</b>	13,054
PAYE and social security	<b>22,549</b>	17,793
Deferred income (note 13)	<b>256,484</b>	268,582
Other creditors	<b>23,823</b>	1,494
	<b><u>335,422</u></b>	<b><u>329,142</u></b>

**13. Deferred income**

	<b>31 August 2023 £</b>	<b>31 March 2022 £</b>
At 1 April 2022	<b>268,582</b>	153,902
Amounts deferred during the period	<b>256,484</b>	268,582
Amounts released during the period	<b>(268,582)</b>	(153,902)
At 31 August 2023	<b><u>256,484</u></b>	<b><u>268,582</u></b>

Deferred income relates to music lessons, instrument hire and events income which has been invoiced for in advance.

**14. Analysis of net assets between funds**

	<b>Restricted funds £</b>	<b>Designated funds £</b>	<b>General funds £</b>	<b>Total funds £</b>
Tangible fixed assets	-	-	17,296	<b>17,296</b>
Current assets	12,961	78,437	1,023,989	<b>1,115,387</b>
Current liabilities	-	-	(335,422)	<b>(335,422)</b>
<b>Net assets at 31 August 2023</b>	<b><u>12,961</u></b>	<b><u>78,437</u></b>	<b><u>705,863</u></b>	<b><u>797,261</u></b>

**Barnet Education Arts Trust**

**Notes to the financial statements**

**For the period ended 31 August 2023**

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**14. Analysis of net assets between funds (continued)**

**Prior period comparative**

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,270	1,270
Current assets	12,961	78,437	845,533	936,931
Current liabilities	-	-	(329,142)	(329,142)
<b>Net assets at 31 March 2022</b>	<u>12,961</u>	<u>78,437</u>	<u>517,661</u>	<u>609,059</u>

**Barnet Education Arts Trust****Notes to the financial statements****For the period ended 31 August 2023****15. Movements in funds**

	At 1 April 2022 £	Income £	Expenditure £	At 31 August 2023 £
<b>Restricted funds</b>				
Arts Council Funding - Music				
Education Hubs	-	733,820	(733,820)	-
London Music Fund	-	6,505	(6,505)	-
Royal Albert Hall Concert	12,961	-	-	<b>12,961</b>
Arts Council Funding - Teacher's				
Pension Contributions	-	110,506	(110,506)	-
Other grants < £5k	-	3,805	(3,805)	-
<b>Total restricted funds</b>	<b>12,961</b>	<b>854,636</b>	<b>(854,636)</b>	<b>12,961</b>
<b>Unrestricted funds</b>				
<i>Designated funds</i>				
Teachers' Pensions	78,437	-	-	<b>78,437</b>
<i>Total designated funds</i>	78,437	-	-	<b>78,437</b>
General funds	517,661	1,779,211	(1,591,009)	<b>705,863</b>
<b>Total unrestricted funds</b>	<b>596,098</b>	<b>1,779,211</b>	<b>(1,591,009)</b>	<b>784,300</b>
<b>Total funds</b>	<b>609,059</b>	<b>2,633,847</b>	<b>(2,445,645)</b>	<b>797,261</b>

**Purposes of restricted funds***Arts Council Funding - Music Education Hubs*

The Music Education grant is awarded following a written submission to the Arts Council as to the activities which will be provided. This written submission can be found on the Arts Council website - all activities undertaken are reported directly to the Arts Council on a quarterly basis. The purpose of the grant is to provide music education activities to young people attending school in or living in the London Borough of Barnet.

*London Music Fund*

This grant is to provide music scholarships for named children agreed by the office of the Mayor's fund for Music Education. The scholarships provide for the cost of music tuition on one instrument and ensemble provision for each child named.

*Royal Albert Hall Concert*

£12,961 of donations during 2019-20 were explicitly collected to support a Royal Albert Hall event. As it had to be cancelled due to COVID-19 these funds remain restricted and will be used for the rescheduled event planned for 2024-25.

## Barnet Education Arts Trust

### Notes to the financial statements

For the period ended 31 August 2023

#### 15. Movements in funds (continued)

##### Purposes of restricted funds (continued)

###### *Arts Council Funding - Teacher's Pension Contributions*

This grant is awarded towards Music Education Hubs' Teachers Pension contributions for 2022-23. It is allocated by the Department for Education in recognition of the increase of employers' pension contributions from September 2019.

##### Purposes of designated funds

###### *Teachers' Pensions*

This designated fund represents funds placed on deposit as a guarantee for teachers' pensions. Without this amount the Teachers' Pensions organisation would not allow BEAT teachers to remain in the Teachers' Pension Scheme.

Prior period comparatives	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
<b>Restricted funds</b>				
Arts Council Funding - Music Education Hubs	-	516,648	(516,648)	-
London Music Fund	-	3,628	(3,628)	-
Royal Albert Hall Concert	12,961	-	-	12,961
Arts Council Funding - Teacher's Pension Contributions	-	81,604	(81,604)	-
<b>Total restricted funds</b>	<b>12,961</b>	<b>601,880</b>	<b>(601,880)</b>	<b>12,961</b>
<b>Unrestricted funds</b>				
<i>Designated funds</i>				
Teachers' Pensions	78,437	-	-	78,437
<i>Total designated funds</i>	78,437	-	-	78,437
General funds	452,458	1,059,176	(993,973)	517,661
<b>Total unrestricted funds</b>	<b>530,895</b>	<b>1,059,176</b>	<b>(993,973)</b>	<b>596,098</b>
<b>Total funds</b>	<b>543,856</b>	<b>1,661,056</b>	<b>(1,595,853)</b>	<b>609,059</b>

## Barnet Education Arts Trust

### Notes to the financial statements

#### For the period ended 31 August 2023

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##### 16. Operating lease rentals

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2023 £	2022 £
Amount falling due:		
Within 1 year	10,097	24,049
Within 1 - 5 years	<u>1,473</u>	<u>12,283</u>
	<u>11,570</u>	<u>36,332</u>

##### 17. Related party transactions

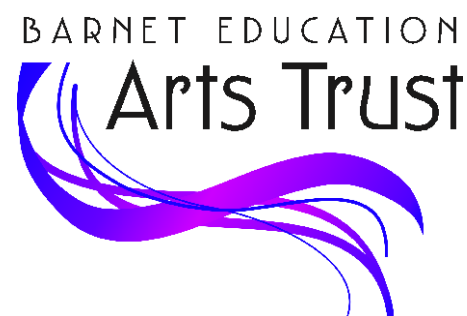
Colin Dowland, trustee, is also Co-Headteacher at Woodridge Primary School. During the period, the charity received £8,723 from the school for services provided. At year end, £370 was outstanding.

Jayne Barnes, trustee until 1 September 2022, is Head of Music at Ark Pioneer Academy. During the period, the charity received £10,409 from the school for services provided. No amounts were outstanding at year end.

Neil Marlow and Katie Dawbarn, both trustees, are employed by Barnet Education and Learning Service (BELS). During the period, the charity received £1,463 from BELS for services provided. At year end, £150 was outstanding.



Making young lives musical.



Rob Wilson  
Godfrey Wilson Limited  
Chartered Accountants & Statutory Auditors  
5<sup>th</sup> Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

11 March 2024

Dear Rob

### **Letter of Representations on the Financial Statements for the Period Ended 31 August 2023**

This representation letter is provided in connection with your audit of the financial statements of the charity for the period ended 31 August 2023.

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 11 March 2022, under the Companies Act 2006 for preparing financial statements, in accordance with 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).

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the period ended 31 August 2023.

2. We confirm that all accounting records have been made available to you for the purpose of your audit, in accordance with your terms of engagement, and that all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management, trustees' and members' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We acknowledge that it is a criminal offence to make a false statement in this regard, and where any director either makes a false statement; is aware that the statement is false; is reckless in preventing this statement; or fails to take reasonable steps to prevent the trustees' report from being approved, we acknowledge that each director will be guilty of a criminal offence.

Tel: **0208 959 4111**  
[www.beatrust.org.uk](http://www.beatrust.org.uk)

Dollis Primary School  
Pursley Road  
London NW7 2BU

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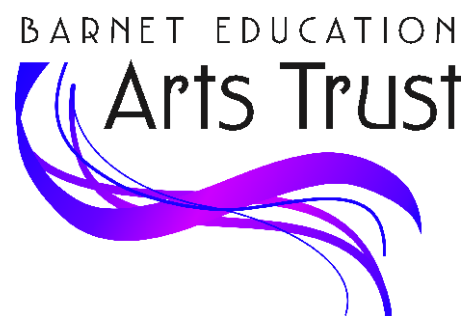
BARNET EDUCATION ARTS TRUST  
BARNET MUSIC HUB

Registered charity number **1150174**  
Registered company number **8310735**

4. We confirm the charity has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
5. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. We confirm that we have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
6. We confirm that the charity has no liabilities or contingent liabilities other than those disclosed in the financial statements.
7. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework.
8. We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
9. We confirm that we are aware that a related party of the charity is a person or organisation which either (directly or indirectly) controls, has joint control of, or significantly influences the charity or vice versa and as a result will include: trustees/directors, other key management, close family and other business interests of the previous. We confirm that the related party relationships and transactions set out in appendix I are a complete list of such relationships and transactions and that we are not aware of any further related parties or transactions.
10. We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees except as disclosed in the financial statements.
11. We confirm that the charity has not contracted for any capital expenditure other than as disclosed in the financial statements.
12. We confirm that the charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
13. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its activities and which are central to the charity's ability to conduct its activities, except as explained to you and as disclosed in the financial statements.
14. We acknowledge our responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the organisation. There have been no deficiencies in internal control of which we are aware.

15. We confirm that there have been no actual or suspected instances of fraud involving trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by trustees, former trustees, employees, former employees, regulators or others.
16. We confirm that, in our opinion, the charity's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, and have considered a period of at least one year from the date on which the financial statements will be approved.
17. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is set out in the management letter.
18. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with the Charity Commission has been made available to you.
19. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.
20. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that: (a) so far as each trustee is aware, there is no relevant audit information of which you as auditors are unaware; and (b) each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.
21. We acknowledge that it is a criminal offence to knowingly or recklessly make you as an auditor, a statement (oral or written) that conveys, or purports to convey, information or explanations that you require in your capacity as auditor, or are entitled to require, that is misleading, false or deceptive in a material particular.
22. We confirm the following specific representations made to you during the course of the audit:
  - (a) The trustees consider that the current guarantee agreement with London Borough of Barnet for the Local Government Pension Scheme covers a bond of up to £76,000. The charity has not recognised any liabilities in respect of the scheme as it understands all potential liabilities to be covered under the current guarantee agreement.

Making young lives musical.



Yours sincerely

*Martin Baker*

Martin Baker – Chair  
For and on behalf of the trustees of Barnet Education Arts Trust

### Appendix I: Summary of Related Parties

Connected Organisation	Name	Nature of Connection
Woodridge Primary School	Colin Dowland	Co-Headteacher
Ark Pioneer Academy	Jayne Barnes	Head of Music
BELS	Neil Marlow	Chief Executive
BELS	Katie Dawbarn	Co-Head of School Improvement and Learning Network Inspector