

WEST SUSSEX MUSIC TRUST

England & Wales · Charity number 1152703

Details

Status	Registered
Legal form	Charitable company
Company number	08524556
Registered	2013-07-03
Register	View on the Charity Commission register

Contact

Address	Herbert Shiner School South Grove Petworth West Sussex GU28 0EE
Phone	01403 286330
Email	music@westsussexmusic.co.uk
Website	www.westsussexmusic.co.uk

Activities

Objects: THE OBJECTS OF THE CHARITY ARE:2.1 TO ADVANCE EDUCATION FOR THE PUBLIC BENEFIT PARTICULARLY (BUT NOT EXCLUSIVELY) IN RELATION TO THE MUSIC, ARTS AND PERFORMING ARTS;2.2 TO ADVANCE THE ARTS AND CULTURE FOR THE BENEFIT OF THE PUBLIC, PARTICULARLY BUT NOT EXCLUSIVELY, BY PROMOTING AND FACILITATING ACCESS TO AND PERFORMANCES OF MUSIC AND OTHER ART FORMS;2.3 TO PROVIDE FOR THE RECREATION OF CHILDREN, YOUNG PEOPLE AND ADULTS FOR THE BENEFIT OF THE PUBLIC BY PROVIDING EQUIPMENT, FACILITIES AND SERVICES TO THEM IN THE INTEREST OF SOCIAL WELFARE WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE; 2.4 TO ADVANCE THE HEALTH AND WELLBEING OF CHILDREN, YOUNG PEOPLE AND ADULTS FOR THE BENEFIT OF THE PUBLIC; AND2.5 TO PROMOTE SOCIAL INCLUSION FOR THE PUBLIC BENEFIT BY ASSISTING THOSE PEOPLE WHO ARE SOCIALLY EXCLUDED FROM SOCIETY, OR PARTS OF SOCIETY.FOR THE PURPOSE OF THIS CLAUSE "SOCIALLY EXCLUDED" MEANS "BEING EXCLUDED FROM SOCIETY, OR PARTS OF SOCIETY, AS A RESULT OF ONE OF MORE OF THE FOLLOWING FACTORS: HEALTH; DISABILITY; UNEMPLOYMENT; FINANCIAL HARDSHIP; POOR EDUCATIONAL OR SKILLS ATTAINMENT".

Activities: West Sussex Music is the largest provider of high-quality music education in West Sussex. It is dedicated to supporting schools and teachers to achieve the best outcomes for children and young people. West Sussex Music fulfills its role as the Music Education Hub for West Sussex by collaborating with a range of strategic partners to nurture, inspire and enrich; changing lives through music.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Economic/community Development/employment, Recreation
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

Geography

- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£2,124,432	£2,111,583	£930,703	73
2024-08-31	£1,982,703	£2,058,340	£917,854	68
2023-08-31	£1,793,121	£1,863,474	£993,491	63
2022-08-31	£1,617,735	£1,524,710	£1,063,844	64
2021-08-31	£2,247,721	£1,829,765	£970,821	60

Trustees

Name	Role	Appointed
CLAUDIA EMILY GOLDEN		2022-07-07
Dr David Gordon Skipp		2023-01-13
James Rhys Bartlett		2026-01-23
Nicola Hughes		2026-01-23
Susanne Elizabeth Harris		2025-06-27
Timothy Riches		2026-04-24

WEST SUSSEX MUSIC TRUST

England & Wales - Charity number 1152703

Accounts

REGISTERED COMPANY NUMBER: 08524556 (England and Wales)
REGISTERED CHARITY NUMBER: 1152703

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025
FOR
WEST SUSSEX MUSIC TRUST

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

WEST SUSSEX MUSIC TRUST
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FOR THE YEAR ENDED 31 AUGUST 2025

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WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In accordance with its Articles of Association, West Sussex Music Trust exists to:

- advance education for the public benefit particularly, but not exclusively, in relation to the music, arts and performing arts;
- advance the arts and culture for the benefit of the public particularly, but not exclusively, by promoting and facilitating access to performances of music and other art forms;
- provide for the recreation of children, young people and adults for the benefit of the public by providing equipment, facilities and services to them in the interest of social welfare with the object of improving their conditions of life;
- advance the health and wellbeing of children, young people and adults for the benefit of the public;
- promote social inclusion for the public benefit by assisting those people who are socially excluded from society, or parts of society.

The Trust provides music education to children and young people and maintained schools in West Sussex through an offer of whole-class first access programmes, ensemble opportunities, instrumental and vocal tuition, singing projects, teacher training, instrument loan, projects, and large-scale inclusive music events. Additionally, the Trust provides a comprehensive range of ensemble, tuition and inclusive activities at its Saturday and evening music centres and, out of term time, at its holiday activities.

The Trust is a consortium partner of Sussex Music Hub, which is led by Brighton Dome & Festival Ltd., and receives funding from the Department for Education's (DfE) national music hub grant which is administered by Arts Council England. Through our strategic collaborations with other hub partner organisations the reach of the Trust is extended to raise participation and improve access to high-quality inclusive music-making, especially to disadvantaged and harder to reach young people.

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

Public benefit

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

Bursaries and Grants

There is a charge for some of the services provided by the Trust but there is a bursary fund for parents/carers in receipt of certain state benefits. The bursary fund uses the DfE's national music hub grant to provide up to 100% subsidy for group lessons, instrument hire and music centre membership for pupils that receive benefits-related Free School Meals or are Children in Care.

Families in financial need that do not meet the 100% subsidy criteria may qualify for a 50% subsidy for families in receipt of other state benefits. Students are also signposted to external grants and funds designed to help children access tuition. Schools are encouraged to use their Pupil Premium funding to support pupils' music education outside the classroom. The Trust actively encourages families to consider paying monthly to spread the financial pressure.

STRATEGIC REPORT

Achievements and performance

Charitable activities

During the year 2024-25, the Trust embedded and developed further the new strategies started in 2022-23 to kickstart increased access to children and young people in musical activities. As a result, we increased the total number of children and young people involved in WSM activities by 13% to 34,547 with 96% of schools meaningfully engaging with WSM through the year. This significant achievement was through sustained improved performance in the following aspects of provision:

1. 6,976 children and young people attended live music performances.
2. 10,186 children and young people engaged in the Trust's singing programme, a rise of 67% on 2023-24. Our schools' singing strategy enabled all schools from key stage 1 to key stage 5 to access a massed singing event for their students.
3. 140 schools took part in classroom instrumental lessons (CIL) programmes, a rise of 8% on 2023-24.
4. 10,105 children and young people took part in CIL programmes, a rise of 5% on 2023-24, due to the increase in schools participating in CIL programmes.
5. 4939 children and young people learned an instrument or to sing in small group or individual tuition.
6. 1321 children and young people were financially supported by the bursary fund, a rise of 34% on 2023-24.
7. 1201 children and young people participated in ensembles, a rise of 49% on 2023-24. This increase was helped by new music centres opening in Midhurst and Horsham as well as the expansion of programmes such as Tomorrow's Orchestra Programme and Play In A Band.
8. 286 children and young people attended holiday activities.
9. 1,470 teachers attended CPD training.

Additionally, we were proud to have:

1. Opened a second music centre-based, Orchestras Inc. SEND ensemble, at Worthing Music Centre complementing the weekly sessions happening in special schools.
2. Embedded our partnerships with four internationally known organisations: Glyndebourne, London Philharmonic Orchestra, Royal Philharmonic Orchestra and The Sixteen that have resulted in more projects and workshops for children and young people and for schools to get involved in music.
3. Taken 45 students from West Sussex Youth Orchestra on overseas tour to France in July.
4. Started to award Digital Badges to young people in recognition of their commitment to music-making.

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT

Financial review

Financial position

The Trust has two main sources of income, traded income through the provision of music tuition direct to families and schools and the Department for Education (DfE) national music education hub grant, administered by Arts Council England (ACE).

During the year ending 31 August 2025, total income was £2,124,432 (2024: £1,982,703) with total expenditure of £2,111,583 (2024: £2,058,340) generating an overall surplus of £12,849 (2024: loss £75,637)

At 31 August 2025, the net book value of fixed assets was £291,461 (2024: £358,875) of which £285,418 (2024: 344,494) was the instrument stock. The assets were used exclusively for providing tuition and associated support services to pupils and schools in West Sussex.

The balance of unrestricted funds at the year end is £930,703 (2024: 917,854).

The charity no longer hold any restricted funds, and haven't since during the year to 31 August 2024. These related to funds received for specific purposes that cannot be used for the general objects of the Charity.

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT

Financial review

Reserves policy

The process of holding reserves is an essential part of good financial management practice. Trustees are however, required to justify their legal power to hold reserves.

The Trustees of West Sussex Music Trust have determined that there is a need to secure the organisation's viability beyond the immediate future in order to provide reliable music services and funding over the longer term and to be able to absorb downturns in income.

A formula to determine the level of reserves includes:

- costs of staff redundancies
- contractual relationships, e.g. leases
- working capital requirements
- any outstanding net liabilities
- financing planned investments

The level of reserves required is reviewed bi-annually or as necessary to take into account the above formula. Responsibility for approving the annual assessment lies with the Trustees. The Chief Executive and Head of Finance should report to the Trustees every year and make such recommendations for adjusting the reserves as appropriate.

To establish the value of reserves available to Trustees known as "free reserves", monies held for specific purposes including restricted funds and designated by the Trustees for particular projects and any monies not available for other uses must first be deducted.

The policy of the Trust is to keep an operating free reserve with a minimum balance to reflect the above formula after deductions. At this balance, trustees are confident that they have scope to take action to mitigate emerging risks and invest in sustainable income generation.

This is supported through full cost recovery budgeting, accurate forecasting, and careful treasury management. Any remaining free reserves not required under the reserves policy are available to develop the work of the charity, to meet its charitable objectives.

Any remaining year end surplus will be designated to provide for the relocation of the charity and potential purchase of a building which would become the West Sussex Music headquarters.

Going concern

The current liquidity that the Trust has available to fulfil its obligations and to finance its ongoing operations provides the basis for the trustees' conclusion that there is not a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern.

Principal risks and uncertainties

The trustees have a risk management strategy that comprises of a quarterly review of the risks the charity may face and a review of all procedural policies. The trustees have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT

Future plans

Through our programme of activity during 2025-26 we will continue to expand opportunities for children and young people which will include the following initiatives:

1. Recruiting a new cohort of beginner instrumentalists into the 2026 Tomorrow's Orchestra Programme (TOP26) at six music centres starting in January.
2. Re-opening Crawley Music Centre following its closure in 2020.
3. Embed the use of digital badging across our activities to recognise and validate students' skills, achievements, goals, and experiences.
4. Developing pilot projects in schools to increase continuation rates into instrumental lessons following CIL programmes and take up of orchestral instruments at secondary schools.
5. Working with consortium partner, Brighton Dome & Festival Limited (Create Music), to build a cohesive vision for Sussex Music Hub.
6. Purchasing instruments and equipment through use of the Department for Education's Capital Grant for musical instruments which expand access for children and young people to music-making and supports the needs of schools.

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

West Sussex Music Trust (trading as "West Sussex Music") is a company limited by guarantee with charitable status; it incorporated on 10 May 2013 and registered with the Charity Commission on 3 July 2013. For over 60 years West Sussex Music (originally known as "West Sussex Music Support Service" and later as "West Sussex Music Service"), was a department within West Sussex County Council. On 1 November 2013, with the full support of West Sussex County Council, music services transferred out of local authority control to the Trust. All teaching staff and managers TUPE transferred to West Sussex Music and ownership of the instrument stock transferred to the Trust.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

- Dr D Skipp (Chair)
- Mrs C E Golden (Vice Chair)
- Mrs E M Evans
- Dr C Guillaumier
- Mrs G Stainer
- Ms S Harris

Recruitment of Trustees

The Board of Trustees is responsible for appointing trustees, up to a maximum of nine. New trustees are recruited by recommendation and by utilising the knowledge of existing trustees who have a wide network of contacts in the voluntary and business communities of West Sussex. Potential trustees meet with the Chief Executive, and at least one other trustee, to find out more about the responsibilities of role. If both sides feel they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following that meeting a decision is made whether to invite the individual to become a trustee.

Induction of Trustees

All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activities of West Sussex Music.

Term of office

The term of office for all trustees shall be no more than three years. Retirement takes effect at the conclusion of the meeting nearest to the trustee's election anniversary. A trustee shall be eligible for re-election by the trustees, for up to one further term of up to three years. After a trustee has left the Board, they shall be eligible for election only after three years have elapsed since they stepped down as trustee.

The trustees are responsible for adopting the business plan and annual budget, ensuring that the charitable objects are met and that the business is compliant. None of the trustees has any beneficial interest in the company. Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The management and governance structure of the Trust consists of the Board of Trustees and the Senior Leadership Team. The Board of Trustees meet during the year on a quarterly basis. The Chief Executive and Head of Finance also attend by invitation.

The Senior Leadership Team consists of:

- James Underwood [Chief Executive]
- Lee Hume [Head of Finance]
- Louise Pickett [Head of Operations]
- Alison Sutton [Assistant Head and Head of Learning]
- Paul Smyth [Assistant Head and Head of Participation]

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

The senior leadership team manages the Trust, implementing the policies set by the Board of Trustees and reporting back to them. Budget responsibility has been delegated by trustees to the senior leadership team. The senior leadership team is supported by the business management team and education management team which have responsibilities for specific areas of core delivery.

Pay and benefits

The Remuneration Committee exists to advise the Board to which it is accountable. Its purpose is to review remuneration practice within the Trust to ensure staff are well motivated at appropriate cost and good practice is employed. The Board has ultimate power to decide annual salary remuneration for the Chief Executive. The Remuneration Committee is responsible for recommending enhanced benefits, including pensions.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08524556 (England and Wales)

Registered Charity number

1152703

Registered office

Herbert Shiner School
South Grove
Petworth
GU28 0EE

Trustees

Ms E M Evans
Dr C Guillaumier
Ms G Stainer
Ms C E Golden
Dr D G Skipp

Company Secretary

James Underwood

Senior Statutory Auditor

Shona Wardrop C.A.

Auditors

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

CEO

James Underwood

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Flagstone
1st Floor, Clareville House
26-27 Oxendon Street
London
SW1Y 4EL

Virgin Money Plc
154-158 Kensington High Street
Kensington
London
W8 7RL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of West Sussex Music Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing 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 estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and 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.

AUDITORS

The auditors, Chariot House Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2025

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on^{29 January 2026} and signed on the board's behalf by:

David Skipp
.....
Dr D G Skipp - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WEST SUSSEX MUSIC TRUST

Opinion

We have audited the financial statements of West Sussex Music Trust (the 'charitable company') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WEST SUSSEX MUSIC TRUST

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and its activities, and through discussion with the trustees and management, we identified the principal risks of material misstatement both at the financial statement level and at the assertion level.

We considered these risks in the light of various factors including the level of complexity, subjectivity, uncertainty, potential management bias, fraud, materiality and any other relevant factors. We considered the extent to which these would have a material impact on the financial statements and designed our audit work accordingly.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

" We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

" We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud, and reviewed significant or unusual transactions to identify their underlying supporting rationale

" We inspected the minutes of meetings of those charged with governance, and made direct enquiries of management and the board of trustees concerning the charity's policies and procedures relating 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 risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

- * The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates were indicative of a potential bias and tested significant transactions that were unusual or those outside the normal course of business.

We also:

- * discussed and reviewed the charity's business model and forward planning to assess going concern

- *communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

- *reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

- *Carried out substantive testing on income and expenditure

- * Re-performed reconciliations of control accounts, and recalculated items such as depreciation

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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

Use of our report

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

Shona Wardrop

Shona Wardrop C.A. (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

29 January 2026

Date:

WEST SUSSEX MUSIC TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £	Instrument fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND						
ENDOWMENTS FROM						
Donations and legacies	3	1,112,086	-	-	1,112,086	1,096,531
Charitable activities						
Charitable Activities	5	987,348	-	-	987,348	856,625
Investment income	4	24,998	-	-	24,998	29,497
Other income		-	-	-	-	50
Total		<u>2,124,432</u>	<u>-</u>	<u>-</u>	<u>2,124,432</u>	<u>1,982,703</u>
EXPENDITURE ON						
Charitable activities						
Charitable Activities	6	1,883,731	59,077	-	1,942,808	1,863,238
Bursaries		168,775	-	-	168,775	195,102
Total		<u>2,052,506</u>	<u>59,077</u>	<u>-</u>	<u>2,111,583</u>	<u>2,058,340</u>
NET						
INCOME/(EXPENDITURE)						
		71,926	(59,077)	-	12,849	(75,637)
RECONCILIATION OF						
FUNDS						
Total funds brought forward		573,360	344,494	-	917,854	993,491
TOTAL FUNDS CARRIED		<u>645,286</u>	<u>285,417</u>	<u>-</u>	<u>930,703</u>	<u>917,854</u>
FORWARD		<u><u>645,286</u></u>	<u><u>285,417</u></u>	<u><u>-</u></u>	<u><u>930,703</u></u>	<u><u>917,854</u></u>

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)**BALANCE SHEET**
31 AUGUST 2025

	Notes	Unrestricted funds £	Instrument fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS						
Tangible assets	14	6,043	285,418	-	291,461	358,875
CURRENT ASSETS						
Debtors	15	37,623	-	-	37,623	47,450
Cash at bank		663,508	-	-	663,508	585,390
		<u>701,131</u>	<u>-</u>	<u>-</u>	<u>701,131</u>	<u>632,840</u>
CREDITORS						
Amounts falling due within one year	16	(61,888)	(1)	-	(61,889)	(73,861)
		<u>639,243</u>	<u>(1)</u>	<u>-</u>	<u>639,242</u>	<u>558,979</u>
NET CURRENT ASSETS						
		<u>645,286</u>	<u>285,417</u>	<u>-</u>	<u>930,703</u>	<u>917,854</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>645,286</u>	<u>285,417</u>	<u>-</u>	<u>930,703</u>	<u>917,854</u>
NET ASSETS						
		<u>645,286</u>	<u>285,417</u>	<u>-</u>	<u>930,703</u>	<u>917,854</u>
FUNDS	18					
Unrestricted funds					930,703	917,854
TOTAL FUNDS					<u>930,703</u>	<u>917,854</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29 January 2026
and were signed on its behalf by:

David Skipp

.....
D G Skipp - Trustee

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	45,899	(26,461)
Net cash provided by/(used in) operating activities		45,899	(26,461)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(1,890)
Sale of tangible fixed assets		3,333	1,534
Impairment of tangible fixed assets		3,888	-
Interest received		24,998	29,497
Net cash provided by investing activities		32,219	29,141
Change in cash and cash equivalents in the reporting period		78,118	2,680
Cash and cash equivalents at the beginning of the reporting period		585,390	582,710
Cash and cash equivalents at the end of the reporting period		663,508	585,390

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 AUGUST 2025**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	12,849	(75,637)
Adjustments for:		
Depreciation charges	60,193	62,869
Interest received	(24,998)	(29,497)
Decrease in debtors	9,827	1,594
(Decrease)/increase in creditors	(11,972)	14,210
Net cash provided by/(used in) operations	<u>45,899</u>	<u>(26,461)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/24 £	Cash flow £	At 31/8/25 £
Net cash			
Cash at bank	585,390	78,118	663,508
	<u>585,390</u>	<u>78,118</u>	<u>663,508</u>
Total	<u>585,390</u>	<u>78,118</u>	<u>663,508</u>

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31 AUGUST 2025**1. ACCOUNTING POLICIES****Accounting convention**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £1.

The charity is a public benefit entity as defined by FRS102.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees have considered all relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

Based on these assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

Income

Donations are recognised on receipt and grants are recognised as income resources when there is evidence of entitlement, receipt is probable and the amounts can be measured reliably.

Income from charitable activities is recognised in the period to which the tuition or hire relates. Where invoiced in advance the appropriate amounts are therefore treated as deferred income.

Investment income is recognised on receipt into the bank account.

Expenditure

Expenditure relating to charitable activities is include in the Statement of Financial Activities on an accruals basis. It includes music teachers' remuneration, travel and room hire costs, inclusive of any irrecoverable VAT.

Governance costs include amounts incurred in respect of the running of the charity as an organisation, including general management, administration, legal and constitutional matters.

Support costs include staff costs incurred to support governance, together with the cost of general management including office costs.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Instruments - Straight line over 20 years

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**1. ACCOUNTING POLICIES - continued****Tangible fixed assets**

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Capitalisation policy

Instruments are only treated as a capital asset if they individually cost more than £1,000 and are otherwise treated as replacements. Other items, such as fixtures and fittings, or IT equipment are capitalised if the cost is over £500 per item.

Impairment of non-current assets

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

The recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are set aside for a specific purpose as agreed by the board and funds can be undesignated at their request.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the trust are provided by the Local Government Pension Scheme ('LGPS') which is a defined benefit scheme and assets are held separately from those of the trust.

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**1. ACCOUNTING POLICIES - continued****Pension costs and other post-retirement benefits**

The LGPS is a funded defined benefit scheme; however it was agreed on transfer that this is to be dealt with on a pass through basis, meaning that County Council underwrites any pension liabilities. This has therefore been accounted for as a defined contribution scheme.

The trust also operates a People's Pension scheme which is a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, short term liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts. Bank overdrafts are shown within borrowings and current liabilities.

Financial instruments

The trust has only financial assets and liabilities of a kind that qualify as basic financial instruments in line with Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues". Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**3. DONATIONS AND LEGACIES**

	2025	2024
	£	£
Donations	33,044	24,436
Grants	1,079,042	1,072,095
	<u>1,112,086</u>	<u>1,096,531</u>

Grants received, included in the above, are as follows:

	2025	2024
	£	£
Arts Council England	1,067,409	1,061,562
West Sussex County Council	11,633	10,533
	<u>1,079,042</u>	<u>1,072,095</u>

4. INVESTMENT INCOME

	2025	2024
	£	£
Deposit account interest	<u>24,998</u>	<u>29,497</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
	Charitable	Total
	Activities	activities
	£	£
Music education	<u>987,348</u>	<u>856,625</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 7) £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Charitable Activities	912,968	-	1,029,840	1,942,808
Bursaries	-	168,775	-	168,775
	<u>912,968</u>	<u>168,775</u>	<u>1,029,840</u>	<u>2,111,583</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2025 £	2024 £
Staff costs	622,588	543,784
Event Costs	51,983	36,590
Instrument Costs	48,106	39,239
Music Purchase	-	1,449
Professional Fees: Music	50,715	77,200
Room Hire	36,729	31,778
Safeguarding & Risk Assessment	4,337	2,484
Teaching Resources	662	1,562
Holiday Activities	14,553	14,760
HLO Management Charge	30,164	-
Depreciation	53,131	53,257
	<u>912,968</u>	<u>802,103</u>

8. GRANTS PAYABLE

	2025 £	2024 £
Bursaries	<u>168,775</u>	<u>195,102</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**9. SUPPORT COSTS**

2025 Allocation of costs	Staff costs £	Depreciation £	Other costs £	Total costs £
Music Education				
Activities undertaken directly	821,212	53,131	383,082	1,257,425
Support costs (excluding governance)	560,822	7,062	187,970	755,854
Total	1,382,034	60,193	571,051	2,013,278
Governance costs	65,966	-	32,340	98,306
Total resources expended	1,447,999	60,193	603,391	2,111,583

Other direct costs includes the grants awarded of £168,775.

Other governance costs are made up as follows;

Senior Management time allocated	65,966
Audit and accountancy fees	11,580
Bank charges and processing	17,361
Recruitment costs	3,399
	98,306

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2025 £	2024 £
Depreciation - owned assets	60,193	62,869
Auditors remuneration - audit fees	7,500	6,870
Auditors remuneration - non audit fees	3,000	2,550

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2025 nor for the year ended 31 August 2024.

12. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	1,261,960	1,235,673
Social security costs	99,963	94,659
Other pension costs	86,076	84,441
	1,447,999	1,414,773

The average monthly number of employees during the year was as follows:

	2025	2024
Central (including administration)	23	26
Delivery staff	50	42
	73	68

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

	2025	2024
£70,001 - £80,000	1	1

The total remuneration paid to Key Management Personnel, who are considered to be the trustees and senior leadership team, during the year was £304,073 (2024; £292,433).

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Instrument fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	1,096,531	-	-	1,096,531
Charitable activities				
Charitable Activities	856,625	-	-	856,625
Investment income	29,497	-	-	29,497
Other income	50	-	-	50
Total	<u>1,982,703</u>	<u>-</u>	<u>-</u>	<u>1,982,703</u>
EXPENDITURE ON				
Charitable activities				
Charitable Activities	1,804,630	54,409	4,199	1,863,238
Bursaries	195,102	-	-	195,102
Total	<u>1,999,732</u>	<u>54,409</u>	<u>4,199</u>	<u>2,058,340</u>
NET INCOME/(EXPENDITURE)	(17,029)	(54,409)	(4,199)	(75,637)
RECONCILIATION OF FUNDS				
Total funds brought forward	590,388	398,904	4,199	993,491
TOTAL FUNDS CARRIED FORWARD	<u>573,359</u>	<u>344,495</u>	<u>-</u>	<u>917,854</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**14. TANGIBLE FIXED ASSETS**

	Instruments £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2024	1,041,681	17,581	96,409	1,155,671
Disposals	(6,846)	-	(10,932)	(17,778)
Impairments	(3,888)	-	-	(3,888)
At 31 August 2025	1,030,947	17,581	85,477	1,134,005
DEPRECIATION				
At 1 September 2024	697,187	12,869	86,740	796,796
Charge for year	53,130	2,797	4,266	60,193
Eliminated on disposal	(4,788)	-	(9,657)	(14,445)
At 31 August 2025	745,529	15,666	81,349	842,544
NET BOOK VALUE				
At 31 August 2025	285,418	1,915	4,128	291,461
At 31 August 2024	344,494	4,712	9,669	358,875

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	8,709	13,625
Provision For Bad Debt	(6,785)	(8,630)
Other debtors	5,325	5,875
Prepayments and accrued income	30,374	36,580
	37,623	47,450

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2025	2024
	£	£
Trade creditors	4,098	35,765
Social security and other taxes	22,546	16,269
Other creditors	9,398	8,511
Accruals and deferred income	25,847	13,316
	<u>61,889</u>	<u>73,861</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	5,963	23,850
Between one and five years	-	5,963
	<u>5,963</u>	<u>29,813</u>

18. MOVEMENT IN FUNDS

	At 1/9/24	Net movement in funds	Transfers between funds	At 31/8/25
	£	£	£	£
Unrestricted funds				
General fund	340,084	71,926	(10,000)	402,010
Future Building Fund	233,276	-	10,000	243,276
Designated Instrument fund	344,494	(59,077)	-	285,417
	<u>917,854</u>	<u>12,849</u>	<u>-</u>	<u>930,703</u>
TOTAL FUNDS	<u>917,854</u>	<u>12,849</u>	<u>-</u>	<u>930,703</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**18. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,124,432	(2,052,506)	71,926
Designated Instrument fund	-	(59,077)	(59,077)
	<u>2,124,432</u>	<u>(2,111,583)</u>	<u>12,849</u>
TOTAL FUNDS	<u><u>2,124,432</u></u>	<u><u>(2,111,583)</u></u>	<u><u>12,849</u></u>

Comparatives for movement in funds

	At 1/9/23 £	Net movement in funds £	At 31/8/24 £
Unrestricted funds			
General fund	357,112	(17,028)	340,084
Future Building Fund	233,276	-	233,276
Designated Instrument fund	398,904	(54,410)	344,494
	<u>989,292</u>	<u>(71,438)</u>	<u>917,854</u>
Restricted funds			
Music Centres	1,019	(1,019)	-
West Dene Fund	2,750	(2,750)	-
Worthing Lions Tour	430	(430)	-
	<u>4,199</u>	<u>(4,199)</u>	<u>-</u>
TOTAL FUNDS	<u><u>993,491</u></u>	<u><u>(75,637)</u></u>	<u><u>917,854</u></u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2025**18. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,982,703	(1,999,731)	(17,028)
Designated Instrument fund	-	(54,410)	(54,410)
	<u>1,982,703</u>	<u>(2,054,141)</u>	<u>(71,438)</u>
Restricted funds			
Music Centres	-	(1,019)	(1,019)
West Dene Fund	-	(2,750)	(2,750)
Worthing Lions Tour	-	(430)	(430)
	<u>-</u>	<u>(4,199)</u>	<u>(4,199)</u>
TOTAL FUNDS	<u><u>1,982,703</u></u>	<u><u>(2,058,340)</u></u>	<u><u>(75,637)</u></u>

The purposes of the restricted funds are as follows:

The Music Centres' Income is restricted for the purpose of assisting five Music Centres, being Worthing, Horsham, Haywards Heath, Chichester and Crawley.

The Instrument fund is restricted to either the purchase of new instruments or the refurbishment of existing instruments from the disposal proceeds of existing instruments.

The West Dene Fund is restricted for the 'Crawley Sings' event.

The Worthing Lions Tour donation is restricted for use on the Music Centres Tour.

The Music for All income is restricted to grants for specific pupils to participate in music lessons.

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

19. EMPLOYEE BENEFIT OBLIGATIONS

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme; it was agreed on transfer that this is to be dealt with on a 'pass through' basis, meaning that County Council underwrites any pension liabilities. This has therefore been accounted for as a defined contribution scheme. The agreed employer contribution rate was 21.7% of pensionable pay to April 2023 and 16.4% of pensionable pay thereafter. . The total employer contributions made for the year ended 31 August 2025 was £21,527 (2024: £20,914).

Other pension schemes

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund. The charge for the year for employer's contributions was £64,638 (2024: £63,527).

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2025.

WEST SUSSEX MUSIC TRUST

England & Wales - Charity number 1152703

Accounts

REGISTERED COMPANY NUMBER: 08524556 (England and Wales)
REGISTERED CHARITY NUMBER: 1152703

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024
FOR
WEST SUSSEX MUSIC TRUST

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In accordance with its Articles of Association, West Sussex Music Trust exists to:

- advance education for the public benefit particularly, but not exclusively, in relation to the music, arts and performing arts;
- advance the arts and culture for the benefit of the public particularly, but not exclusively, by promoting and facilitating access to performances of music and other art forms;
- provide for the recreation of children, young people and adults for the benefit of the public by providing equipment, facilities and services to them in the interest of social welfare with the object of improving their conditions of life;
- advance the health and wellbeing of children, young people and adults for the benefit of the public;
- promote social inclusion for the public benefit by assisting those people who are socially excluded from society, or parts of society.

The Trust provides music education to children and young people and maintained schools in West Sussex through an offer of whole-class first access programmes, ensemble opportunities, instrumental and vocal tuition, singing projects, teacher training, instrument loan, projects, and large-scale inclusive music events. Additionally, the Trust provides a comprehensive range of ensemble, tuition and support activities at its Saturday and evening music centres and, out of term time, at its holiday activities.

The Trust is a consortium partner of Sussex Music Hub, which is led by Brighton Dome & Festival Ltd., and receives funding from the Department for Education's (DfE) national music hub grant which is administered by Arts Council England. Through our strategic collaborations with other hub partner organisations the reach of the Trust is extended to raise participation and improve access to high-quality inclusive music-making, especially to disadvantaged and harder to reach young people.

Public benefit

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

Bursaries and Grants

There is a charge for some of the services provided by the Trust but there is a bursary fund for parents/carers in receipt of certain state benefits. The bursary fund uses the DfE's national music hub grant to provide up to 100% subsidy for group lessons, instrument hire and music centre membership for pupils that receive benefits-related Free School Meals or are Children in Care.

Families in financial need that do not meet the 100% subsidy criteria may qualify for a 50% subsidy for families in receipt of other state benefits. Students are also signposted to external grants and funds designed to help children access tuition. Schools are encouraged to use their Pupil Premium funding to support pupils' music education outside the classroom. The Trust actively encourages families to consider paying monthly to spread the financial pressure.

STRATEGIC REPORT

Achievement and performance

Charitable activities

During the year 2023-24, through its leadership of the West Sussex Music Education Hub, the Trust embedded and developed further the new strategies started in 2022-23 to kickstart increased access to children and young people in musical activities. As a result, we increased the total number of children and young people involved in music activities by 62% to 30,565 with 98% of schools meaningfully engaging with the Music Education Hub through the year. This significant achievement was through sustained improved performance in the following aspects of provision:

1. 14,316 students involved in large scale events, a rise of 122% on 2022-23 thanks to the increased involvement of new hub partners.
2. 7,239 students attended live music performances, a rise of 154% on 2022-23 thanks to the involvement of more partners and performances in schools promoting the Tomorrow's Orchestra Programme (TOP24).
3. 5,843 students engaged in the Trust's singing programme, a rise of 193% on 2022-23. Our new schools' singing strategy ensured all schools from key stage 1 to key stage 5 had the opportunity to access a massed singing event for their students.
4. 130 schools took part in classroom instrumental lessons (CIL) programmes, a rise of 22% on 2022-23. This was achieved by expanding the free "1Term2Learn" CIL offer to more schools in areas of historically low school engagement. This was offered to 90 schools across 11 localities and to all special schools across the county.
5. 9,659 students took part in CIL programmes, a rise of 28% on 2022-23, due to the increase in schools participating in CIL programmes.
6. 5,218 students learned an instrument or to sing in small group or individual tuition, a rise of 20% on 2022-23. This was due to the recruitment of more teachers and therefore greater teaching capacity.
7. 984 students were financially supported by the bursary fund, a rise of 53% on 2022-23.
8. 806 students participated in ensembles, a rise of 50% on 2022-23. This expansion was helped by Chichester Music Centre re-establishing its Saturday sessions, a new music centre opening at Bognor Regis, and a new contemporary music centre opening at Worthing, at Northbrook College, to offer rock band and music production sessions.
9. 566 participants attended holiday activities, a rise of 151% on 2022-23 as we expanded our range of workshops to four centres across more days.
10. 2,007 teachers attended CPD training, a rise of 177% on 2022-23.

Additionally, we were proud to have:

1. Integrated our accessible SEND ensemble, Orchestras Inc., into our activity programme at Horsham Music Centre, building on the weekly sessions happening in special schools.
2. Developed new partnerships with four internationally known organisations: Glyndebourne, London Philharmonic Orchestra, Royal Philharmonic Orchestra and The Benedetti Foundation that have resulted in more projects and workshops for children and young people and for schools to get involved in music.
3. Taken 25 students from West Sussex Youth Choir on the choir's first solo overseas tour to France in May.
4. Taken the West Sussex Youth Orchestra to perform in the finals of the National Festival of Music for Youth at Birmingham Symphony Hall in July.

STRATEGIC REPORT

Financial review

Financial position

The Trust has two main sources of income, traded income through the provision of music tuition direct to families and schools and the Department for Education (DfE) national music education hub grant, administered by Arts Council England (ACE).

During the year ending 31 August 2024, total income was £1,982,703 with total expenditure of £2,058,340 generating an overall deficit of £(£75,637). Of this deficit, £54,409 was attributable to the depreciation on our holding of instruments, and £4,199 on expenditure of restricted funds brought forward.

At 31 August 2024, the net book value of fixed assets was £358,875 of which £344,494 was the instrument stock which was held in a designated fund. The assets were used exclusively for providing tuition and associated support services to pupils and schools in West Sussex.

The balance of unrestricted funds at the year end is £573,359 of which £558,979 was liquid working capital.

Restricted funds amount to £nil at the year end and a more detailed analysis of these funds are provided in note 17. These relate to funds received for specific purposes that cannot be used for the general objects of the Charity.

Reserves policy

The process of holding reserves is an essential part of good financial management practice. Trustees are however, required to justify their legal power to hold reserves.

The Trustees of West Sussex Music Trust have determined that there is a need to secure the organisation's viability beyond the immediate future in order to provide reliable music services and funding over the longer term and to be able to absorb downturns in income.

A formula to determine the level of reserves includes:

- costs of staff redundancies
- contractual relationships, e.g. leases
- working capital requirements
- any outstanding net liabilities
- financing planned investments

The level of reserves required is reviewed bi-annually or as necessary to take into account the above formula. Responsibility for approving the annual assessment lies with the Trustees. The Chief Executive and Head of Finance should report to the Trustees every year and make such recommendations for adjusting the reserves as appropriate.

To establish the value of reserves available to Trustees known as "free reserves", monies held for specific purposes including restricted funds and designated by the Trustees for particular projects and any monies not available for other uses must first be deducted.

The policy of the Trust is to keep an operating free reserve with a minimum balance to reflect the above formula after deductions. At this balance, trustees are confident that they have scope to take action to mitigate emerging risks and invest in sustainable income generation.

This is supported through full cost recovery budgeting, accurate forecasting, and careful treasury management. Any remaining free reserves not required under the reserves policy are available to develop the work of the charity, to meet its charitable objectives.

Any remaining year end surplus will be designated to provide for the relocation of the charity and potential purchase of a building which would become the West Sussex Music headquarters.

STRATEGIC REPORT

Financial review

Going concern

The current liquidity that the Trust has available to fulfil its obligations and to finance its ongoing operations provides the basis for the trustees' conclusion that there is not a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern.

Principal risks and uncertainties

The trustees have a risk management strategy that comprises of a quarterly review of the risks the charity may face and a review of all procedural policies. The trustees have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

The innovations started in 2022-23 and further embedded into our programme of activity during 2023-24 to kickstart new opportunities for children and young people are being developed further in our programme of activity for 2024-25. This will include the following initiatives:

1. A new cohort of 120+ beginner instrumentalists will be recruited onto the Tomorrow's Orchestra Programme (TOP25) at four music centres in January.
2. Worthing Music Centre will re-establish its traditional Saturday sessions and expand its activities to young musicians.
3. Orchestras Inc., our SEND ensemble, will expand its accessibility by offering rehearsals at two music centres, building on the sessions run at Horsham Music Centre.
4. We will develop and increase the use of digital badging across our activities to recognise and validate students' skills, achievements, goals, and experiences.
5. We will develop a series of pilot projects in schools to try to increase continuation rates into instrumental lessons following CIL programmes.
6. We will embed the partnerships already made with national music organisations to ensure that additional opportunities continue through 2024-25.

Changes in the government's funding for music hubs has meant that from 1 September 2024, the number of music hubs across England has reduced from 118 mainly single local authority area hubs to 43 mainly multiple local authority area hubs.

Locally, the DfE decided to fund a single Sussex Music Hub, which covers the local authorities of Brighton & Hove, East Sussex, and West Sussex. WSM and Create Music (CM), the music hub for Brighton & Hove and East Sussex, are now working as a consortium to manage the delivery of Sussex Music Hub provision with Brighton Dome & Festival Ltd as the Hub Lead Organisation (HLO).

WSM and CM will continue to operate as independent organisations with their own management and governance boards and deliver work under their own names in their local areas but there is now a single Hub Board for Sussex to agree the Hub's strategic approach to supporting the National Plan for Music Education and use of the music hub grant across Sussex.

Between September 2024 and September 2026, the government has made available £25m of capital funds to English music hubs for instrument and equipment purchases. The funding for each hub area has been determined using the same per pupil formula as the revenue grant. The allocation for Sussex across the two years is £657k. By the end of November, an instrument purchase strategy must be submitted to ACE in order to draw down the funds. All purchases made with the capital grant will be legally owned by the HLO and sit on their balance sheet.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

West Sussex Music Trust (trading as "West Sussex Music") is a company limited by guarantee with charitable status; it incorporated on 10 May 2013 and registered with the Charity Commission on 3 July 2013. For over 60 years West Sussex Music (originally known as "West Sussex Music Support Service" and later as "West Sussex Music Service"), was a department within West Sussex County Council. On 1 November 2013, with the full support of West Sussex County Council, music services transferred out of local authority control to the Trust. All teaching staff and managers TUPE transferred to West Sussex Music and ownership of the instrument stock transferred to the Trust.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

- Dr D Skipp (Chair)
- Mrs C E Golden (Vice Chair)
- Mrs E M Evans
- Dr C Guillaumier
- Mrs G Stainer

Recruitment of Trustees

The Board of Trustees is responsible for appointing trustees, up to a maximum of nine. New trustees are recruited by recommendation and by utilising the knowledge of existing trustees who have a wide network of contacts in the voluntary and business communities of West Sussex. Potential trustees meet with the Chief Executive, and at least one other trustee, to find out more about the responsibilities of role. If both sides feel they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following that meeting a decision is made whether to invite the individual to become a trustee.

Induction of Trustees

All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activities of West Sussex Music.

Term of office

The term of office for all trustees shall be no more than three years. Retirement takes effect at the conclusion of the meeting nearest to the trustee's election anniversary. A trustee shall be eligible for re-election by the trustees, for up to one further term of up to three years. After a trustee has left the Board, they shall be eligible for election only after three years have elapsed since they stepped down as trustee.

The trustees are responsible for adopting the business plan and annual budget, ensuring that the charitable objects are met and that the business is compliant. None of the trustees has any beneficial interest in the company. Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The management and governance structure of the Trust consists of the Board of Trustees and the Senior Leadership Team. The Board of Trustees meet during the year on a quarterly basis. The Chief Executive and Head of Finance also attend by invitation.

The Senior Leadership Team consists of:

- James Underwood [Chief Executive]
- Lee Hume [Head of Finance]
- Louise Pickett [Head of Operations]
- Alison Sutton [Assistant Head and Head of Learning]
- Paul Smyth [Assistant Head and Head of Participation]

The senior leadership team manages the Trust, implementing the policies set by the Board of Trustees and reporting back to them. Budget responsibility has been delegated by trustees to the senior leadership team. The senior leadership team is supported by the business management team and education management team which have responsibilities for specific areas of core delivery.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Pay and benefits

The Remuneration Committee exists to advise the Board to which it is accountable. Its purpose is to review remuneration practice within the Trust to ensure staff are well motivated at appropriate cost and good practice is employed. The Board has ultimate power to decide annual salary remuneration for the Chief Executive. The Remuneration Committee is responsible for recommending enhanced benefits, including pensions.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08524556 (England and Wales)

Registered Charity number

1152703

Registered office

Herbert Shiner School
South Grove
Petworth
GU28 0EE

Trustees

Ms E M Evans
Dr C Guillaumier
Ms G Stainer
Ms C E Golden
Dr D G Skipp

Company Secretary

James Underwood

Senior Statutory Auditor

Shona Wardrop C.A.

Auditors

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

CEO

James Underwood

Bankers

Flagstone
1st Floor, Clareville House
26-27 Oxendon Street
London
SW1Y 4EL

Virgin Money Plc
154-158 Kensington High Street
Kensington
London
W8 7RL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of West Sussex Music Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and 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.

AUDITORS

The auditors, Chariot House Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on and signed on the board's behalf by:

.....
Dr D G Skipp - Trustee

Opinion

We have audited the financial statements of West Sussex Music Trust (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and its activities, and through discussion with the trustees and management, we identified the principal risks of material misstatement both at the financial statement level and at the assertion level.

We considered these risks in the light of various factors including the level of complexity, subjectivity, uncertainty, potential management bias, fraud, materiality and any other relevant factors. We considered the extent to which these would have a material impact on the financial statements and designed our audit work accordingly.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud, and reviewed significant or unusual transactions to identify their underlying supporting rationale

- We inspected the minutes of meetings of those charged with governance, and made direct enquiries of management and the board of trustees concerning the charity's policies and procedures relating to:

- o Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

- o The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates were indicative of a potential bias and tested significant transactions that were unusual or those outside the normal course of business.

We also

- discussed and reviewed the charity's business model and forward planning to assess going concern

- communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

- reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

- Carried out substantive testing on income and expenditure

- Re-performed reconciliations of control accounts, and recalculated items such as depreciation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation.

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST

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

Use of our report

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

Shona Wardrop C.A. (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

Date:

WEST SUSSEX MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £	Instrument fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	1,096,531	-	-	1,096,531	1,083,935
Charitable activities	5					
Charitable Activities		856,625	-	-	856,625	705,240
Investment income	4	29,497	-	-	29,497	3,721
Other income		50	-	-	50	225
Total		<u>1,982,703</u>	<u>-</u>	<u>-</u>	<u>1,982,703</u>	<u>1,793,121</u>
EXPENDITURE ON Charitable activities	6					
Charitable Activities		<u>1,999,732</u>	<u>54,409</u>	<u>4,199</u>	<u>2,058,340</u>	<u>1,863,474</u>
NET INCOME/(EXPENDITURE)		(17,029)	(54,409)	(4,199)	(75,637)	(70,353)
RECONCILIATION OF FUNDS						
Total funds brought forward		590,388	398,904	4,199	993,491	1,063,844
TOTAL FUNDS CARRIED FORWARD		<u><u>573,359</u></u>	<u><u>344,495</u></u>	<u><u>-</u></u>	<u><u>917,854</u></u>	<u><u>993,491</u></u>

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST

BALANCE SHEET

31 AUGUST 2024

	Notes	Unrestricted funds £	Instrument fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS						
Tangible assets	14	14,381	344,494	-	358,875	421,388
CURRENT ASSETS						
Debtors	15	47,450	-	-	47,450	49,044
Cash at bank		585,390	-	-	585,390	582,710
		<u>632,840</u>	<u>-</u>	<u>-</u>	<u>632,840</u>	<u>631,754</u>
CREDITORS						
Amounts falling due within one year	16	(73,861)	-	-	(73,861)	(59,651)
NET CURRENT ASSETS		<u>558,979</u>	<u>-</u>	<u>-</u>	<u>558,979</u>	<u>572,103</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		573,360	344,494	-	917,854	993,491
NET ASSETS		<u>573,360</u>	<u>344,494</u>	<u>-</u>	<u>917,854</u>	<u>993,491</u>
FUNDS	17					
Unrestricted funds					917,854	989,292
Restricted funds					-	4,199
TOTAL FUNDS					<u>917,854</u>	<u>993,491</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
D G Skipp - Trustee

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(26,461)	(154,823)
Net cash used in operating activities		(26,461)	(154,823)
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,890)	(12,725)
Sale of tangible fixed assets		1,534	3,039
Impairment of tangible fixed assets		-	21,000
Interest received		29,497	3,721
Net cash provided by investing activities		29,141	15,035
Change in cash and cash equivalents in the reporting period		2,680	(139,788)
Cash and cash equivalents at the beginning of the reporting period		582,710	722,498
Cash and cash equivalents at the end of the reporting period		585,390	582,710

The notes form part of these financial statements

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(75,637)	(70,353)
Adjustments for:		
Depreciation charges	62,869	62,296
Interest received	(29,497)	(3,721)
Decrease/(increase) in debtors	1,594	(4,770)
Increase/(decrease) in creditors	14,210	(138,275)
Net cash used in operations	<u>(26,461)</u>	<u>(154,823)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/23 £	Cash flow £	At 31/8/24 £
Net cash			
Cash at bank	582,710	2,680	585,390
	<u>582,710</u>	<u>2,680</u>	<u>585,390</u>
Total	<u>582,710</u>	<u>2,680</u>	<u>585,390</u>

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £1.

The charity is a public benefit entity as defined by FRS102.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees have considered all relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

Based on these assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

Income

Donations are recognised on receipt and grants are recognised as income resources when there is evidence of entitlement, receipt is probable and the amounts can be measured reliably.

Income from charitable activities is recognised in the period to which the tuition or hire relates. Where invoiced in advance the appropriate amounts are therefore treated as deferred income.

Investment income is recognised on receipt into the bank account.

Expenditure

Expenditure relating to charitable activities is included in the Statement of Financial Activities on an accruals basis. It includes music teachers' remuneration, travel and room hire costs, inclusive of any irrecoverable VAT.

Governance costs include amounts incurred in respect of the running of the charity as an organisation, including general management, administration, legal and constitutional matters.

Support costs include staff costs incurred to support governance, together with the cost of general management including office costs.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Over the term of the lease
Instruments	- Straight line over 20 years
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Capitalisation policy

Instruments are only treated as a capital asset if they individually cost more than £1,000 and are otherwise treated as replacements. Other items, such as fixtures and fittings, or IT equipment are capitalised if the cost is over £500 per item.

Impairment of non-current assets

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

The recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are set aside for a specific purpose as agreed by the board and funds can be undesignated at their request.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the trust are provided by the Local Government Pension Scheme ('LGPS') which is a defined benefit scheme and assets are held separately from those of the trust.

The LGPS is a funded defined benefit scheme; however it was agreed on transfer that this is to be dealt with on a pass through basis, meaning that County Council underwrites any pension liabilities. This has therefore been accounted for as a defined contribution scheme.

The trust also operates a People's Pension scheme which is a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1. ACCOUNTING POLICIES - continued**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, short term liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts. Bank overdrafts are shown within borrowings and current liabilities.

Financial instruments

The trust has only financial assets and liabilities of a kind that qualify as basic financial instruments in line with Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues". Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	24,436	8,169
Grants	1,072,095	1,075,766
	<u>1,096,531</u>	<u>1,083,935</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Arts Council England	1,061,562	1,059,948
West Sussex County Council	10,533	15,818
	<u>1,072,095</u>	<u>1,075,766</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2024

4. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	29,497	3,721

5. INCOME FROM CHARITABLE ACTIVITIES

	2024 Charitable Activities £	2023 Total activities £
Music education	856,625	705,240

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7) £	Grant funding of activities (see note 8) £	Support costs (see note 9) £	Totals £
Charitable Activities	802,103	195,102	1,061,135	2,058,340

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024 £	2023 £
Staff costs	543,784	497,679
Event Costs	36,590	58,753
Instrument Costs	39,239	33,564
Music Purchase	1,449	-
Professional Fees: Music	77,200	86,905
Room Hire	31,778	31,678
Safeguarding & Risk Assessment	2,484	931
Teaching Resources	1,562	8,665
Holiday Activities	14,760	2,006
Depreciation	53,257	53,674
Impairment losses	-	21,000
	802,103	794,855

8. GRANTS PAYABLE

	2024 £	2023 £
Charitable Activities	195,102	132,685

9. SUPPORT COSTS

2024 Allocation of costs	Staff costs £	Depreciation £	Other costs £	Total costs £
Music Education				
Activities undertaken directly	735,398	53,257	401,696	1,190,351
Support costs (excluding governance)	616,540	9,610	152,892	779,043
Total	1,351,939	62,868	554,588	1,969,395
Governance costs	62,835	-	26,110	88,945
Total resources expended	1,414,774	62,868	580,699	2,058,340

Other direct costs includes the grants awarded of £195,102.

Other governance costs are made up as follows;

Senior Management time allocated	62,835
Audit and accountancy fees	9,034
Bank charges and processing	12,828
Recruitment costs	4,248
	88,945

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Depreciation - owned assets	62,869	62,296
Auditors remuneration - audit fees	6,870	6,500
Auditors remuneration - non audit fees	2,550	2,500

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

12. STAFF COSTS

	2024 £	2023 £
Wages and salaries	1,235,673	1,113,917
Social security costs	94,659	78,138
Other pension costs	84,441	77,658
	<u>1,414,773</u>	<u>1,269,713</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Central (including administration)	26	22
Delivery staff	42	41
	<u>68</u>	<u>63</u>

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

	2024	2023
£70,001 - £80,000	<u>1</u>	<u>1</u>

The total remuneration paid to Key Management Personnel, who are considered to be the trustees and senior leadership team, during the year was £292,433 (2023; £280,905).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Instrument fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	1,083,935	-	-	1,083,935
Charitable activities				
Charitable Activities	705,240	-	-	705,240
Investment income	3,721	-	-	3,721
Other income	225	-	-	225
Total	<u>1,793,121</u>	<u>-</u>	<u>-</u>	<u>1,793,121</u>

EXPENDITURE ON

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Instrument fund £	Restricted funds £	Total funds £
Charitable activities				
Charitable Activities	1,780,135	74,674	8,665	1,863,474
NET INCOME/(EXPENDITURE)	12,986	(74,674)	(8,665)	(70,353)
Transfers between funds	(473,578)	473,578	-	-
Net movement in funds	(460,592)	398,904	(8,665)	(70,353)
RECONCILIATION OF FUNDS				
Total funds brought forward	1,050,980	-	12,864	1,063,844
TOTAL FUNDS CARRIED FORWARD	590,388	398,904	4,199	993,491

14. TANGIBLE FIXED ASSETS

	Improvements to property £	Instruments £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2023	15,705	1,044,891	20,612	95,214	1,176,422
Additions	-	-	-	1,890	1,890
Disposals	(15,705)	(3,210)	(3,031)	(695)	(22,641)
At 31 August 2024	-	1,041,681	17,581	96,409	1,155,671
DEPRECIATION					
At 1 September 2023	15,705	645,987	12,853	80,489	755,034
Charge for year	-	53,258	3,047	6,564	62,869
Eliminated on disposal	(15,705)	(2,058)	(3,031)	(313)	(21,107)
At 31 August 2024	-	697,187	12,869	86,740	796,796
NET BOOK VALUE					
At 31 August 2024	-	344,494	4,712	9,669	358,875
At 31 August 2023	-	398,904	7,759	14,725	421,388

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	13,625	18,677
Provision For Bad Debt	(8,630)	(5,630)
Other debtors	5,875	5,875
Prepayments and accrued income	36,580	30,122
	<u>47,450</u>	<u>49,044</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	35,765	17,631
Social security and other taxes	16,269	23,039
Other creditors	8,511	9,561
Accruals and deferred income	13,316	9,420
	<u>73,861</u>	<u>59,651</u>

17. MOVEMENT IN FUNDS

	At 1/9/23	Net movement in funds	At 31/8/24
	£	£	£
Unrestricted funds			
General fund	357,112	(17,028)	340,084
Future Building Fund	233,276	-	233,276
Designated Instrument fund	398,904	(54,410)	344,494
	<u>989,292</u>	<u>(71,438)</u>	<u>917,854</u>
Restricted funds			
Music Centres	1,019	(1,019)	-
West Dene Fund	2,750	(2,750)	-
Worthing Lions Tour	430	(430)	-
	<u>4,199</u>	<u>(4,199)</u>	<u>-</u>
TOTAL FUNDS	<u>993,491</u>	<u>(75,637)</u>	<u>917,854</u>

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,982,703	(1,999,731)	(17,028)
Designated Instrument fund	-	(54,410)	(54,410)
	1,982,703	(2,054,141)	(71,438)
Restricted funds			
Music Centres	-	(1,019)	(1,019)
West Dene Fund	-	(2,750)	(2,750)
Worthing Lions Tour	-	(430)	(430)
	-	(4,199)	(4,199)
TOTAL FUNDS	1,982,703	(2,058,340)	(75,637)

Comparatives for movement in funds

	At 1/9/22 £	Net movement in funds £	Transfers between funds £	At 31/8/23 £
Unrestricted funds				
General fund	850,980	12,986	(506,854)	357,112
Future Building Fund	200,000	-	33,276	233,276
Designated Instrument fund	-	(74,674)	473,578	398,904
	1,050,980	(61,688)	-	989,292
Restricted funds				
Music Centres	7,852	(6,833)	-	1,019
West Dene Fund	2,750	-	-	2,750
Worthing Lions Tour	430	-	-	430
Music for All	1,832	(1,832)	-	-
	12,864	(8,665)	-	4,199
TOTAL FUNDS	1,063,844	(70,353)	-	993,491

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,793,121	(1,780,135)	12,986
Designated Instrument fund	-	(74,674)	(74,674)
	<u>1,793,121</u>	<u>(1,854,809)</u>	<u>(61,688)</u>
Restricted funds			
Music Centres	-	(6,833)	(6,833)
Music for All	-	(1,832)	(1,832)
	<u>-</u>	<u>(8,665)</u>	<u>(8,665)</u>
TOTAL FUNDS	<u><u>1,793,121</u></u>	<u><u>(1,863,474)</u></u>	<u><u>(70,353)</u></u>

The purposes of the restricted funds are as follows:

The Music Centres' Income is restricted for the purpose of assisting five Music Centres, being Worthing, Horsham, Haywards Heath, Chichester and Crawley.

The Instrument fund is restricted to either the purchase of new instruments or the refurbishment of existing instruments from the disposal proceeds of existing instruments.

The West Dene Fund is restricted for the 'Crawley Sings' event.

The Worthing Lions Tour donation is restricted for use on the Music Centres Tour.

The Music for All income is restricted to grants for specific pupils to participate in music lessons.

18. EMPLOYEE BENEFIT OBLIGATIONS**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme; it was agreed on transfer that this is to be dealt with on a 'pass through' basis, meaning that County Council underwrites any pension liabilities. This has therefore been accounted for as a defined contribution scheme. The agreed employer contribution rate was 21.7% of pensionable pay to April 2023 and 16.4% of pensionable pay thereafter. . The total employer contributions made for the year ended 31 August 2024 was £20,914 (2023: £24,449).

Other pension schemes

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund. The charge for the year for employer's contributions was £63,527 (2023: £53,209).

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2024.

WEST SUSSEX MUSIC TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	24,436	8,169
Grants	1,072,095	1,075,766
	1,096,531	1,083,935
Investment income		
Deposit account interest	29,497	3,721
Charitable activities		
Music education	856,625	705,240
Other income		
Other income	50	225
Total incoming resources	1,982,703	1,793,121
 EXPENDITURE		
Charitable activities		
Wages	492,340	453,496
Social security	26,039	22,878
Pensions	25,405	21,305
Event Costs	36,590	58,753
Instrument Costs	39,239	33,564
Music Purchase	1,449	-
Professional Fees: Music	77,200	86,905
Room Hire	31,778	31,678
Safeguarding & Risk Assessment	2,484	931
Teaching Resources	1,562	8,665
Holiday Activities	14,760	2,006
Depreciation of tangible fixed assets	53,257	53,674
Impairment losses for tangible fixed assets	-	21,000
Grants to individuals	195,102	132,685
	997,205	927,540
Support costs		
Management		
Wages	743,333	660,421
Social security	68,620	55,260
Pensions	59,036	56,353
Professional & bank fees	41,445	19,483
Premises Costs	56,067	52,635
Carried forward	968,501	844,152

This page does not form part of the statutory financial statements

WEST SUSSEX MUSIC TRUST

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	2024 £	2023 £
Management		
Brought forward	968,501	844,152
Admin & IT Costs	34,689	30,098
Recruitment costs	4,248	6,431
Relocation Costs	-	6,033
Stationery	1,177	1,650
Subscriptions	14,730	15,935
Telephone & Internet	9,889	9,039
Travel	4,065	6,682
Website maintenance	3,396	3,690
Payment Processing Fees	10,830	3,601
Depreciation of tangible and heritage assets	9,610	8,623
	<u>1,061,135</u>	<u>935,934</u>
Total resources expended	<u>2,058,340</u>	<u>1,863,474</u>
Net expenditure	<u>(75,637)</u>	<u>(70,353)</u>

This page does not form part of the statutory financial statements

WEST SUSSEX MUSIC TRUST

England & Wales - Charity number 1152703

Accounts

REGISTERED COMPANY NUMBER: 08524556 (England and Wales)
REGISTERED CHARITY NUMBER: 1152703

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
FOR
WEST SUSSEX MUSIC TRUST

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

WEST SUSSEX MUSIC TRUST

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FOR THE YEAR ENDED 31 AUGUST 2023

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In accordance with its Articles of Association, West Sussex Music Trust exists to:

- advance education for the public benefit particularly, but not exclusively, in relation to the music, arts and performing arts;
- advance the arts and culture for the benefit of the public particularly, but not exclusively, by promoting and facilitating access to performances of music and other art forms;
- provide for the recreation of children, young people and adults for the benefit of the public by providing equipment, facilities and services to them in the interest of social welfare with the object of improving their conditions of life;
- advance the health and wellbeing of children, young people and adults for the benefit of the public;
- promote social inclusion for the public benefit by assisting those people who are socially excluded from society, or parts of society.

The Trust provides music education to children and young people and supports 283 schools through an offer of whole-class first access programmes, ensemble opportunities, instrumental and vocal tuition, singing projects, CPD for teachers, instrument loan and large-scale inclusive music events. Additionally, the Trust provides a comprehensive range of ensemble, tuition and support activities at its Saturday and evening music centres.

The Trust extends its reach by leading the West Sussex Music Education Hub; working strategically with Hub partners to raise participation and improve access to high-quality inclusive music-making, especially to disadvantaged and harder to reach young people. The work of the Hub is supported by the Department for Education's national music education hub grant which is managed by the Trust.

Public benefit

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

Bursaries and Grants

There is a charge for some of the services provided by the Trust but there is a bursary fund for parents/carers in receipt of certain state benefits. The bursary fund uses the DfE's national hub grant to provide up to 100% subsidy for group lessons, instrument hire and music centre membership for pupils that receive benefits-related Free School Meals or are Children in Care.

Families in financial need that do not meet the 100% subsidy criteria may qualify for a 50% subsidy for families in receipt of other state benefits. Students are also signposted to external grants and funds designed to help children access tuition. Schools are encouraged to use their Pupil Premium funding to support pupils' music education outside the classroom. The Trust actively encourages families to consider paying monthly to spread the financial pressure.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

During the year 2022-23 the Trust implemented new strategies to kickstart increased access to children and young people in musical activities and further developed existing programmes of activity:

1. Tomorrow's Orchestra Programme (TOP). In January our innovative three-term music centre programme of free group lessons and free instrument hire, with ensemble membership, for beginners started its second cohort of 107 TOP23 members at Chichester, Horsham, and Worthing music centres. The 43 TOP22 graduates who started the previous year progressed onto regular music centre ensembles and into small group or individual lessons.
2. New music centre initiatives such as TOP, Drum Lab and Young Voices as well as focused promotion, have helped raise the number of music centre members by 90% from the previous year.
3. 69 students from West Sussex Youth Orchestra and West Sussex Youth Wind Orchestra embarked on our first overseas cultural tour since 2018.
4. A free term of whole-class instrumental learning (WCET) for all Year 4 pupils in Bognor Regis and Littlehampton primary schools - areas of lower engagement from schools - resulted in 15 out of 19 new schools taking up the offer as well as 20 out of 24 schools in Crawley which was piloted the year before. Across the whole county WCET engagement matched pre-pandemic levels of engagement, with 106 schools hosting 284 programmes, and previous pupil numbers were exceeded with 7,521 accessing these free lessons.
5. Successful applications to the County Council's Holiday Activities and Food (HAF) funding enabled the implementation of a programme of free music holiday activities in Bognor Regis, Crawley, and Littlehampton for students in receipt of benefit-related free school meals. 225 holiday activity places were filled during December, April, and August. The success of these courses has enabled further funds to be secured for 2023-24.
6. Instrumental and vocal tuition pupil numbers have increased by 19% from the previous year through improved recruitment programmes and increased efficiency of scheduling.
7. Our comprehensive CPD programme for school-based and visiting music teachers during the year culminated in two music education conferences: the Sussex Secondary Music Conference, which was organised in collaboration with Create Music and University of Sussex in June, and the West Sussex Music Education Conference in July.
8. The Trust financially supported 10 Big Sing massed choir events during the year which were organised by school localities. 59 schools and 1997 pupils benefitted from participation in a Big Sing.
9. The Youth Advisory Board was formed for students aged between 14 - 18 years (up to 25 for SEND) to have their voice heard on strategic decision making around provision.
10. During the year the 643 students received financial support in order to access music lessons or attend music centre.

In November 2022, the West Sussex Music office relocated to a commercial premises in Horsham following a year's temporary stay at the instrument storage facility at Petworth. This move back to Horsham has enabled the support functions to reconvene following a year of remote working. During the autumn of 2022 an agreement with St. Joseph's CE Junior School in Chichester was agreed to provide a new venue for our Chichester Music Centre.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT

Financial review

Financial position

The Trust has two main sources of income, traded income through the provision of music tuition direct to families and schools and the Department for Education (DfE) national music education hub grant, administered by Arts Council England.

During the year ending 31 August 2023, total income was £1,793,121. Total expenditure was £1,863,474 generating an overall deficit of £70,353 after accounting for depreciation of £62,296 and an impairment provision of £21,000.

At 31 August 2023 the net book value of fixed assets was £421,388 of which £398,904 was the instrument assets. The assets were used exclusively for providing tuition and associated support services to pupils and schools in West Sussex.

The balance of unrestricted funds at the year end is £989,292

Restricted funds amount to £4,199 at the year end and a more detailed analysis of these funds are provided in note 17. These relate to funds received for specific purposes that cannot be used for the general objects of the Charity.

Reserves policy

The process of holding reserves is an essential part of good financial management practice. Trustees are however, required to justify their legal power to hold reserves.

The Trustees of West Sussex Music Trust have determined that there is a need to secure the organisation's viability beyond the immediate future in order to provide reliable music services and funding over the longer term and to be able to absorb downturns in income.

A formula to determine the level of reserves includes:

- costs of staff redundancies
- contractual relationships e.g. leases
- working capital requirements
- any outstanding net liabilities
- financing planned investments

The level of reserves required is reviewed bi-annually or as necessary to take into account the above formula. Responsibility for approving the annual assessment lies with the Trustees. The Chief Executive and Head of Finance should report to the Trustees every year and make such recommendations for adjusting the reserves as appropriate.

To establish the value of reserves available to Trustees known as "free reserves", monies held for specific purposes including restricted funds and designated by the Trustees for particular projects and any monies not available for other uses must first be deducted.

The policy of the Trust is to keep an operating free reserve with a minimum balance to reflect the above formula after deductions. At this balance, trustees are confident that they have scope to take action to mitigate emerging risks and invest in sustainable income generation.

This is supported through full cost recovery budgeting, accurate forecasting, and careful treasury management. Any remaining free reserves not required under the reserves policy are available to develop the work of the charity, to meet its charitable objectives.

Designated Funds

Total reserves includes a number of designated funds with transfers being made in the year to provide for the relocation of the charity and potential purchase of a building which would become the West Sussex Music headquarters.

The trustees also decided to set aside the instrument assets in to a separate designated fund to enable the accounts to present a more transparent view of the operational activities of the Trust. Depreciation charges and any impairment provisions are now charged directly to this fund.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT

Financial review

Going concern

The current liquidity that the Trust has available to fulfil its obligations and to finance its ongoing operations provides the basis for the trustees' conclusion that there is not a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern.

Principal risks and uncertainties

The trustees have a risk management strategy which comprises of a quarterly review of the risks the charity may face and a review of all procedural policies. The trustees have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

The innovations taken during 2022-23 to kickstart new opportunities for children and young people are being further embedded in our programme of activity for 2023-24. This will include the following developments:

1. We will expand the free 1Term2Learn whole-class instrumental lesson offer to more Year 4 classes in areas of historically low school engagement. This will be offered to 90 schools across 11 localities and to all special schools across the county.
2. Chichester Music Centre will re-establish its Saturday sessions and expand its activities to young musicians and a new satellite music centre will open at Bognor Regis in the spring term.
3. We will open a new contemporary music centre in Worthing, through our collaboration with Northbrook College, to offer rock band and music production sessions.
4. A new cohort of the Tomorrow's Orchestra Programme (TOP24) will be recruited for a January start.
5. Orchestras Inc., our accessible ensemble, will start twice-termly rehearsals at one of our music centres, building on the weekly sessions happening in special schools.
6. A new and comprehensive schools singing strategy will enable all schools from Key Stage 1 to Key Stage 3 to access a massed singing event for their students.
7. New partnerships with internationally known organisations: Glyndebourne, London Philharmonic Orchestra, and The Benedetti Foundation will result in new creative projects for children and young people and for schools

Changes in the government's future funding for music hubs will mean that from 1 September 2024, the number of music hubs across England will reduce from 118 to 43. Arts Council England (ACE) has initiated a new competitive process, inviting organisations to apply for the role of being a music hub lead organisation from September 2024 onwards.

Locally, the Department for Education (DfE) has decided to fund a single Sussex Music Hub, consolidating the existing two music education hubs led by West Sussex Music (WSM) and Create Music (CM). Both WSM and CM have enjoyed a strong collaborative partnership over many years, and we will submit a joint bid, as a consortium, to lead the Sussex Music Hub.

West Sussex Music Trust and Brighton Dome & Festival Ltd (on behalf of Create Music) will enter into a formal consortium agreement to lead the Sussex Music Hub. WSM and CM will continue to operate as independent organisations with their own management and governance boards and deliver work under their own names in their local areas but there will be a single Hub Board for Sussex that will agree the hub's strategic approach to supporting the National Plan for Music Education use of the music hub grant across Sussex.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

West Sussex Music Trust (trading as "West Sussex Music") is a company limited by guarantee with charitable status; it incorporated on 10 May 2013 and registered with the Charity Commission on 3 July 2013.

For over 60 years West Sussex Music (originally known as "West Sussex Music Support Service" and later as "West Sussex Music Service"), was a department within West Sussex County Council. On 1 November 2013, with the full support of West Sussex County Council, music services transferred out of local authority control to the Trust. All teaching staff and managers TUPE transferred to West Sussex Music and ownership of the instrument stock transferred to the Trust.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

- Mrs E M Evans (Chair)
- Mrs C E Golden
- Dr C Guillaumier
- Mr T M Riches (retired 21.04.23)
- Dr D Skipp (appointed 13.01.23)
- Mrs G Stainer

Recruitment of Trustees

The Board of Trustees is responsible for appointing trustees, up to a maximum of nine. New trustees are recruited by recommendation and by utilising the knowledge of existing trustees who have a wide network of contacts in the voluntary and business communities of West Sussex. Potential trustees meet with the Chief Executive, and at least one other trustee, to find out more about the responsibilities of role. If both sides feel they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following that meeting a decision is made whether to invite the individual to become a trustee.

Induction of Trustees

All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activities of West Sussex Music.

Term of office

The term of office for all trustees shall be no more than three years. Retirement takes effect at the conclusion of the meeting nearest to the trustee's election anniversary. A trustee shall be eligible for re-election by the trustees, for up to one further term of up to three years. After a trustee has left the Board, they shall be eligible for election only after three years have elapsed since they stepped down as trustee.

At the trustees' meeting on 13 January 2023 the following trustee retired following their first term of office:

- Margaret Evans

At the trustee's meeting on 13 January 2023 the following trustee was re-elected for a second term of office:

- Margaret Evans

At the trustee's meeting on 21 April 2023 the following trustee retired following their second term of office

- Tim Riches

Following this final term of office, the trustees voted to co-opt Tim Riches for a 12 month period as a non voting member of the board and finance committee.

The trustees are responsible for adopting the business plan and annual budget, ensuring that the charitable objects are met and that the business is compliant. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

The management and governance structure of the Trust consists of the Board of Trustees and the Senior Leadership Team. The Board of Trustees meet during the year on a quarterly basis. The Chief Executive and Head of Finance also attend by invitation.

The Senior Leadership Team consists of:

- James Underwood [Chief Executive]
- Lee Hume [Head of Finance] from 2 May 2023
- Louise Pickett [Head of Operations]
- Alison Sutton [Assistant Head]
- Paul Smyth [Assistant Head] - since 01.09.22

The senior leadership team runs the Trust, implementing the policies set by the Board of Trustees and reporting back to them. Budget responsibility has been delegated by trustees to the senior leadership team. The senior leadership team is supported by the business management team with responsibilities for specific areas of core delivery.

Pay and benefits

The Remuneration Committee exists to advise the Board to which it is accountable. Its purpose is to review remuneration practice within the Trust to ensure staff are well motivated at appropriate cost and good practice is employed. The Board has ultimate power to decide annual salary remuneration for the Chief Executive. The Remuneration Committee is responsible for recommending enhanced benefits, including pensions.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08524556 (England and Wales)

Registered Charity number

1152703

Registered office

Herbert Shiner School
South Grove
Petworth
GU28 0EE

Trustees

Ms E M Evans
Dr C Guillaumier
T M Riches (resigned 21/4/2023)
Ms G Stainer
Ms C E Golden
Dr D G Skipp (appointed 13/1/2023)

Company Secretary

J G Underwood

Senior Statutory Auditor

Shona Wardrop C.A.

Auditors

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

REFERENCE AND ADMINISTRATIVE DETAILS

CEO

James Underwood

Bankers

Flagstone

1st Floor, Clareville House

26-27 Oxendon Street

London

SW1Y 4EL

Virgin Money Plc

154-158 Kensington High Street

Kensington

London

W8 7RL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of West Sussex Music Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

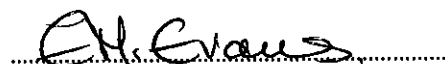
In so far as the trustees are aware:

- 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.

AUDITORS

The auditors, Chariot House Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9.2.24 and signed on the board's behalf by:



Ms E M Evans - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WEST SUSSEX MUSIC TRUST

Opinion

We have audited the financial statements of West Sussex Music Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and its activities, and through discussion with the trustees and management, we identified the principal risks of material misstatement both at the financial statement level and at the assertion level. We considered these risks in the light of various factors including the level of complexity, subjectivity, uncertainty, potential management bias, fraud, materiality and any other relevant factors. We considered the extent to which these would have a material impact on the financial statements and designed our audit work accordingly.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- * We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- * We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud, and reviewed significant or unusual transactions to identify their underlying supporting rationale
- * We inspected the minutes of meetings of those charged with governance, and made direct enquiries of management and the board of trustees concerning the charity's policies and procedures relating 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 risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud

The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates were indicative of a potential bias and tested significant transactions that were unusual or those outside the normal course of business.

We also:

- * discussed and reviewed the charity's business model and forward planning to assess going concern
- * communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- * reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- * Carried out substantive testing on income and expenditure
- * Re-performed reconciliations of control accounts, and recalculated items such as depreciation

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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

Use of our report

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

Shona Wardrop

Shona Wardrop C.A. (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

Date: 9 | 2 | 24

WEST SUSSEX MUSIC TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Instrument fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	1,083,935	-	-	1,083,935	1,143,386
Charitable activities	5					
Charitable Activities		705,240	-	-	705,240	473,089
Investment income	4	3,721	-	-	3,721	1,160
Other income		225	-	-	225	100
Total		<u>1,793,121</u>	<u>-</u>	<u>-</u>	<u>1,793,121</u>	<u>1,617,735</u>
EXPENDITURE ON						
Charitable activities	6					
Charitable Activities		<u>1,780,135</u>	<u>74,674</u>	<u>8,665</u>	<u>1,863,474</u>	<u>1,524,710</u>
NET						
INCOME/(EXPENDITURE)		12,986	(74,674)	(8,665)	(70,353)	93,025
Transfers between funds	17	<u>(473,578)</u>	<u>473,578</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		(460,592)	398,904	(8,665)	(70,353)	93,025
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>1,050,980</u>	<u>-</u>	<u>12,864</u>	<u>1,063,844</u>	<u>970,819</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>590,388</u></u>	<u><u>398,904</u></u>	<u><u>4,199</u></u>	<u><u>993,491</u></u>	<u><u>1,063,844</u></u>

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST (REGISTERED NUMBER: 08524556)**BALANCE SHEET**
31 AUGUST 2023

	Notes	Unrestricted funds £	Instrument fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS						
Tangible assets	14	22,484	398,904	-	421,388	494,998
CURRENT ASSETS						
Debtors	15	49,044	-	-	49,044	44,274
Cash at bank		578,511	-	4,199	582,710	722,498
		<u>627,555</u>	<u>-</u>	<u>4,199</u>	<u>631,754</u>	<u>766,772</u>
CREDITORS						
Amounts falling due within one year	16	(59,651)	-	-	(59,651)	(197,926)
NET CURRENT ASSETS		<u>567,904</u>	<u>-</u>	<u>4,199</u>	<u>572,103</u>	<u>568,846</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		590,388	398,904	4,199	993,491	1,063,844
NET ASSETS		<u>590,388</u>	<u>398,904</u>	<u>4,199</u>	<u>993,491</u>	<u>1,063,844</u>
FUNDS	17					
Unrestricted funds					989,292	1,050,980
Restricted funds					4,199	12,864
TOTAL FUNDS					<u>993,491</u>	<u>1,063,844</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 9.2.24 and were signed on its behalf by:


E M Evans - Trustee

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(154,823)	245,112
Net cash (used in)/provided by operating activities		(154,823)	245,112
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,725)	(11,713)
Sale of tangible fixed assets		3,039	2,950
Impairment of tangible fixed assets		21,000	-
Interest received		3,721	1,160
Net cash provided by/(used in) investing activities		15,035	(7,603)
Change in cash and cash equivalents in the reporting period		(139,788)	237,509
Cash and cash equivalents at the beginning of the reporting period		722,498	484,989
Cash and cash equivalents at the end of the reporting period		582,710	722,498

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(70,353)	93,025
Adjustments for:		
Depreciation charges	62,296	60,197
Interest received	(3,721)	(1,160)
Increase in debtors	(4,770)	(16,443)
(Decrease)/increase in creditors	(138,275)	109,493
Net cash (used in)/provided by operations	<u>(154,823)</u>	<u>245,112</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/22 £	Cash flow £	At 31/8/23 £
Net cash			
Cash at bank	722,498	(139,788)	582,710
	<u>722,498</u>	<u>(139,788)</u>	<u>582,710</u>
Total	<u>722,498</u>	<u>(139,788)</u>	<u>582,710</u>

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £1.

The charity is a public benefit entity as defined by FRS102.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees have considered all relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

Based on these assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

Income

Donations and grants are recognised as income resources when there is evidence of entitlement of gift, receipt is probable and its amount can be measured reliably.

Income from charitable activities is recognised in the period to which the lesson relates. Where invoiced in advance the appropriate amounts are therefore treated as deferred income.

Investment income is recognised on receipt into the bank account.

Expenditure

Expenditure relating to charitable activities is included in the Statement of Financial Activities on an accruals basis. It includes music teachers' remuneration, travel and room hire costs, inclusive of any irrecoverable VAT.

Governance costs include amounts incurred in respect of the running of the charity as an organisation, including general management, administration, legal and constitutional matters.

Support costs include staff costs incurred to support governance, together with the cost of general management including office costs.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Over the term of the lease
Instruments	- Straight line over 20 years
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Capitalisation policy

Instruments are only treated as a capital asset if they individually cost more than £1,000 and are otherwise treated as replacements. Other items, such as fixtures and fittings, or IT equipment are capitalised if the cost is over £500 per item.

Impairment of non-current assets

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

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are set aside for a specific purpose as agreed by the board and funds can be undesignated at their request.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

Retirement benefits to employees of the trust are provided by the Local Government Pension Scheme ('LGPS') which is a defined benefit scheme and assets are held separately from those of the trust.

The LGPS is a funded defined benefit scheme, however it was agreed on transfer that this is to be dealt with on a pass through basis, meaning that County Council underwrite any pension liabilities and therefore this has been accounted for as a defined contribution scheme.

The trust also operates a People's Pension scheme which is a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents include cash in hand, short term liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts. Bank overdrafts are shown within borrowings and current liabilities.

Financial instruments

The trust has only financial assets and liabilities of a kind that qualify as basic financial instruments in line with Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues". Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	8,169	7,318
Grants	1,075,766	1,136,068
	<u>1,083,935</u>	<u>1,143,386</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Arts Council England	1,059,948	967,732
Arts Council England Culture Recovery Fund	-	160,753
Hertfordshire Music Service	-	1,500
West Sussex County Council	15,818	6,083
	<u>1,075,766</u>	<u>1,136,068</u>

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	3,721	1,160

5. INCOME FROM CHARITABLE ACTIVITIES

	2023 Charitable Activities	2022 Total activities
	£	£
Music education	705,240	473,089

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Grant funding of activities (see note 8)	Support costs (see note 9)	Totals
	£	£	£	£
Charitable Activities	794,855	132,685	935,934	1,863,474

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	497,679	616,273
Event Costs	58,753	8,377
Instrument Costs	33,564	65,199
Music Purchase	-	4,762
Professional Fees: Music	86,905	87,907
Room Hire	31,678	32,983
Safeguarding & Risk Assessment	931	6,893
Teaching Resources	8,665	414
Holiday Activities	2,006	-
Depreciation	53,674	53,590
Impairment losses	21,000	-
	794,855	876,398

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023****8. GRANTS PAYABLE**

	2023 £	2022 £
Charitable Activities	<u>132,685</u>	<u>47,253</u>

9. SUPPORT COSTS

2023 Allocation of costs	Staff costs £	Depreciation £	Other costs £	Total costs £
Music Education				
Activities undertaken directly	687,439	74,674	349,560	1,111,673
Support costs (excluding governance)	<u>528,504</u>	<u>8,623</u>	<u>142,293</u>	<u>679,421</u>
Total	1,215,943	83,298	491,854	1,791,094
Governance costs	<u>53,769</u>	-	<u>18,610</u>	<u>72,380</u>
Total resources expended	<u><u>1,269,712</u></u>	<u><u>83,298</u></u>	<u><u>510,464</u></u>	<u><u>1,863,474</u></u>

Other direct costs includes the grants awarded of £132,685.

Other governance costs are made up as follows;

Senior Management time allocated	53,769
Audit and accountancy fees	7,379
Bank charges and processing	4,800
Recruitment costs	<u>6,432</u>
	<u><u>72,380</u></u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	62,296	60,197
Auditors remuneration - audit fees	6,500	6,500
Auditors remuneration - non audit fees	<u>2,500</u>	<u>2,500</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023****11. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,113,917	913,935
Social security costs	78,138	63,968
Other pension costs	77,658	65,716
	<u>1,269,713</u>	<u>1,043,619</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Central (including administration)	22	19
Delivery staff	41	45
	<u>63</u>	<u>64</u>

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

	2023	2022
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
	<u>1</u>	<u>2</u>

The total remuneration paid to Key Management Personnel during the year was £280,905 (2022; £232,157).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Instrument fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	1,143,135	-	251	1,143,386
Charitable activities				
Charitable Activities	473,089	-	-	473,089
Investment income	1,160	-	-	1,160
Other income	100	-	-	100
Total	<u>1,617,484</u>	<u>-</u>	<u>251</u>	<u>1,617,735</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023****13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Instrument fund £	Restricted funds £	Total funds £
EXPENDITURE ON				
Charitable activities				
Charitable Activities	1,504,608	-	20,102	1,524,710
NET INCOME/(EXPENDITURE)	112,876	-	(19,851)	93,025
RECONCILIATION OF FUNDS				
Total funds brought forward	938,104	-	32,715	970,819
TOTAL FUNDS CARRIED FORWARD	1,050,980	-	12,864	1,063,844

14. TANGIBLE FIXED ASSETS

	Improvements to property £	Instruments £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2022	15,705	1,073,490	11,380	91,721	1,192,296
Additions	-	-	9,232	3,493	12,725
Disposals	-	(7,599)	-	-	(7,599)
Impairments	-	(21,000)	-	-	(21,000)
At 31 August 2023	15,705	1,044,891	20,612	95,214	1,176,422
DEPRECIATION					
At 1 September 2022	15,705	596,873	9,816	74,904	697,298
Charge for year	-	53,674	3,037	5,585	62,296
Eliminated on disposal	-	(4,560)	-	-	(4,560)
At 31 August 2023	15,705	645,987	12,853	80,489	755,034
NET BOOK VALUE					
At 31 August 2023	-	398,904	7,759	14,725	421,388
At 31 August 2022	-	476,617	1,564	16,817	494,998

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023****15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	18,677	46,516
Provision For Bad Debt	(5,630)	(23,393)
Other debtors	5,875	435
Prepayments and accrued income	30,122	20,716
	<u>49,044</u>	<u>44,274</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	17,631	28,071
Social security and other taxes	23,039	17,068
Other creditors	9,561	6,892
Accruals and deferred income	9,420	145,895
	<u>59,651</u>	<u>197,926</u>

17. MOVEMENT IN FUNDS

	At 1/9/22 £	Net movement in funds £	Transfers between funds £	At 31/8/23 £
Unrestricted funds				
General fund	850,980	12,986	(506,854)	357,112
Future Building Fund	200,000	-	33,276	233,276
Designated Instrument fund	-	(74,674)	473,578	398,904
	<u>1,050,980</u>	<u>(61,688)</u>	<u>-</u>	<u>989,292</u>
Restricted funds				
Music Centres	7,852	(6,833)	-	1,019
West Dene Fund	2,750	-	-	2,750
Worthing Lions Tour	430	-	-	430
Music for All	1,832	(1,832)	-	-
	<u>12,864</u>	<u>(8,665)</u>	<u>-</u>	<u>4,199</u>
TOTAL FUNDS	<u>1,063,844</u>	<u>(70,353)</u>	<u>-</u>	<u>993,491</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023****17. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,793,121	(1,780,135)	12,986
Designated Instrument fund	-	(74,674)	(74,674)
	1,793,121	(1,854,809)	(61,688)
Restricted funds			
Music Centres	-	(6,833)	(6,833)
Music for All	-	(1,832)	(1,832)
	-	(8,665)	(8,665)
TOTAL FUNDS	1,793,121	(1,863,474)	(70,353)

Comparatives for movement in funds

	At 1/9/21 £	Net movement in funds £	Transfers between funds £	At 31/8/22 £
Unrestricted funds				
General fund	938,104	112,876	(200,000)	850,980
Future Building Fund	-	-	200,000	200,000
	938,104	112,876	-	1,050,980
Restricted funds				
Music Centres	13,954	(6,102)	-	7,852
Horsham Council	507	(507)	-	-
Instrument Fund	384	(384)	-	-
Accessible Orchestra	11,829	(11,829)	-	-
West Dene Fund	2,750	-	-	2,750
Worthing Lions Tour	1,000	(570)	-	430
Music for All	2,291	(459)	-	1,832
	32,715	(19,851)	-	12,864
TOTAL FUNDS	970,819	93,025	-	1,063,844

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 AUGUST 2023**

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,617,484	(1,504,608)	112,876
Restricted funds			
Music Centres	-	(6,102)	(6,102)
Horsham Council	-	(507)	(507)
Instrument Fund	-	(384)	(384)
Accessible Orchestra	250	(12,079)	(11,829)
Worthing Lions Tour	-	(570)	(570)
Music for All	1	(460)	(459)
	<u>251</u>	<u>(20,102)</u>	<u>(19,851)</u>
TOTAL FUNDS	<u>1,617,735</u>	<u>(1,524,710)</u>	<u>93,025</u>

The purposes of the restricted funds are as follows:

The Music Centres' Income is restricted for the purpose of assisting five Music Centres, being Worthing, Horsham, Haywards Heath, Chichester and Crawley.

The Horsham Council grant is restricted for the purpose of the Horsham Year of Culture.

The Instrument fund is restricted to either the purchase of new instruments or the refurbishment of existing instruments from the disposal proceeds of existing instruments.

The Accessible Orchestra Fund is restricted to the teaching and providing of orchestras for all children.

The West Dene Fund is restricted for the 'Crawley Sings' event.

The Worthing Lions Tour donation is restricted for use on the Music Centres Tour.

The Music for All income is restricted to grants for specific pupils to participate in music lessons.

18. EMPLOYEE BENEFIT OBLIGATIONS

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, it was agreed on transfer that this is to be dealt with on a 'pass through' basis, meaning that County Council underwrite any pension liabilities and therefore this has been accounted for as a defined contribution scheme. The agreed employer contribution rate was 22.7% to March 2022 and 21.7% of pensionable pay thereafter. The total employer contributions made for the year ended 31 August 2023 was £24,449 (2022: £27,904).

Other pension schemes

The trust operates a definite contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund. The charge for the year for employers contributions was £53,209 (2022: £37,812).

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2023

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2023.

WEST SUSSEX MUSIC TRUST

England & Wales - Charity number 1152703

Accounts

REGISTERED COMPANY NUMBER: 08524556 (England and Wales)
REGISTERED CHARITY NUMBER: 1152703

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022
FOR
WEST SUSSEX MUSIC TRUST

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

WEST SUSSEX MUSIC TRUST

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FOR THE YEAR ENDED 31 AUGUST 2022

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WEST SUSSEX MUSIC TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

In accordance with its Articles of Association, West Sussex Music Trust exists to:

- **advance education for the public benefit particularly, but not exclusively, in relation to the music, arts and performing arts;**
- **advance the arts and culture for the benefit of the public particularly, but not exclusively, by promoting and facilitating access to performances of music and other art forms;**
- **provide for the recreation of children, young people and adults for the benefit of the public by providing equipment, facilities and services to them in the interest of social welfare with the object of improving their conditions of life;**
- **advance the health and wellbeing of children, young people and adults for the benefit of the public;**
- **promote social inclusion for the public benefit by assisting those people who are socially excluded from society, or parts of society.**

The Trust provides music education to children and young people and supports 283 schools through an offer of whole-class first access programmes, ensemble opportunities, instrumental and vocal tuition, singing projects, CPD for teachers, instrument loan and large-scale inclusive music events. Additionally, the Trust provides a comprehensive range of ensemble, tuition and support activities at its Saturday and evening music centres.

The Trust extends its reach by leading the West Sussex Music Education Hub; working strategically with Hub partners to raise participation and improve access to high-quality inclusive music-making, especially to disadvantaged and harder to reach young people. The work of the Hub is supported by the Department for Education's national music education hub grant which is managed by the Trust.

Public benefit

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

There is a charge for some of the services provided by the Trust but there is a bursary fund for parents/carers in receipt of certain state benefits. The bursary fund uses the DfE's national hub grant to provide up to 100% subsidy for group lessons, instrument hire and music centre membership for pupils that receive benefits-related Free School Meals or are Children in Care.

Families in financial need that do not meet the 100% subsidy criteria may qualify for a 50% subsidy for families in receipt of other state benefits. Students are also signposted to external grants and funds designed to help children access tuition. Schools are encouraged to use their Pupil Premium funding to support pupils' music education outside the classroom. The Trust actively encourages families to consider paying monthly to spread the financial pressure.

WEST SUSSEX MUSIC TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2022**

STRATEGIC REPORT

Achievement and performance

Charitable activities

During the year 2021-22, the West Sussex Music engagement strategy has focused on the following initiatives to rebuild following the pandemic:

1. Tomorrow's Orchestra Programme - a three-term programme of free or low-cost group lessons, ensemble membership and instrument hire based in Chichester, Horsham, and Worthing music centres to bring in new key stage 2 learners. Massed performances alongside the County Youth Orchestra have celebrated the achievements of the 44 TOPs graduates who will progress onto regular music centre ensembles in January 2023.
2. A free term of whole-class instrumental learning (WCET) for all Year 4 pupils in Crawley primary schools - an area of lower engagement from schools - resulted in 18 out of 24 schools taking up the offer, with 41 classes and 1,230 pupils involved.
3. Our accessible ensemble "Orchestras Inc." moved from online only to a hybrid delivery to enable more participants to benefit from face-to-face sessions.
4. A comprehensive CPD programme involved 656 attendees during the year culminated in the West Sussex Music Education Conference on 8 July with 136 delegates at Chichester College.
5. Responding to our schools needs analysis we engaged Ensemble Reza and Kidenza to give Live Music performances in schools to support primary to secondary progression routes. 2222 students benefited across 17 schools from this fully funded offer.
6. Massed singing events created opportunities for 600 pupils to perform at public venues including The Hawth, Crawley and Chichester Cathedral.

Operationally, the Trust was successful in:

1. Rebranding the Trust and Hub identities
2. Launching our new website
3. Introducing a new customer data management system - SpeedAdmin
4. Reviewing and restructuring the management team

Financial review

Financial position

The Trust has two main sources of income, traded income through the provision of music tuition direct to families and schools and the Department for Education (DfE) national music education hub grant, administered by Arts Council England.

During the year ending 31 August 2022, total income was £1,617,735 which exceeded expenditure of £1,524,710 generating an overall surplus of £93,025.

At 31 August 2022 the net book value of fixed assets was £494,998 of which £476,617 was the instrument assets. The assets were used exclusively for providing tuition and associated support services to pupils and schools in West Sussex.

The balance of unrestricted funds at the year end is £1,050,980.

Restricted funds amount to £12,864 at the year end and a more detailed analysis of these funds are provided in note 17. These relate to funds received for specific purposes that cannot be used for the general objects of the Charity.

WEST SUSSEX MUSIC TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2022**

STRATEGIC REPORT

Financial review

Reserves policy

The process of holding reserves is an essential part of good financial management practice. Trustees are however, required to justify their legal power to hold reserves.

The Trustees of West Sussex Music Trust have determined that there is a need to secure the organisation's viability beyond the immediate future in order to provide reliable music services and funding over the longer term and to be able to absorb downturns in income.

A formula to determine the level of reserves includes:

- costs of staff redundancies
- contractual relationships e.g. leases
- working capital requirements
- any outstanding net liabilities
- financing planned investments

The level of reserves required is reviewed bi-annually or as necessary to take into account the above formula. Responsibility for approving the annual assessment lies with the Trustees. The Chief Executive and Head of Finance should report to the Trustees every year and make such recommendations for adjusting the reserves as appropriate.

To establish the value of reserves available to Trustees known as "free reserves", monies held for specific purposes including restricted funds and designated by the Trustees for particular projects and any monies not available for other uses must first be deducted.

The policy of West Sussex Music Trust is to keep an operating free reserve with a minimum balance to reflect the above formula after deductions. At this balance, trustees are confident that they have scope to take action to mitigate emerging risks and invest in sustainable income generation.

This is supported through full cost recovery budgeting, accurate forecasting, and careful treasury management. Any remaining free reserves not required under the reserves policy are available to develop the work of the charity, to meet its charitable objectives.

Any remaining year end surplus will be designated to provide for the relocation of the charity and potential purchase of a building which would become the West Sussex Music headquarters.

Going concern

The current liquidity that the Trust has available to fulfil its obligations and to finance its ongoing operations provides the basis for the trustees' conclusion that there is not a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern.

Principal risks and uncertainties

The trustees have a risk management strategy which comprises of a quarterly review of the risks the charity may face and a review of all procedural policies. The trustees have assessed the major risks to which the Trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trust has recovered well from the business impact of the Covid 19 pandemic but like many other organisations faces some staff recruitment and retention challenges. This has been mitigated by a wider marketing and recruitment campaign and flexible arrangements for the engagement of tutors and other staff.

As part of the National Plan for Music Education, the government announced that Arts Council England would deliver a new Investment Programme for Music Hubs. The new Music Hub programme will start from September 2024. The Trust is confident that it will be successful in securing its future funding under this initiative.

WEST SUSSEX MUSIC TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT

Future plans

The innovations taken during 2021-22 to kickstart new opportunities for children and young people are, since September 2022, being developed further by our restructured management team.

We will implement a programme of free music activities for children from low income families during school holidays, using funding from the Holiday Activities and Food scheme, and will set up of a new Youth Advisory Board to promote youth advocacy.

We have extended our free WCET pilot project into Bognor Regis and Littlehampton primary schools as well as those in Crawley. In January 2023 the next cohort of the Tomorrow's Orchestra Programme (TOPs23) will launch instrumental and ensemble opportunities for a new generation of orchestral musicians. We will launch new West Sussex Young Voices choirs around the county.

We will continue to recruit a workforce of music practitioners and partner organisations to increase opportunities for young people to access the widest range of musical opportunities.

WEST SUSSEX MUSIC TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

West Sussex Music Trust (trading as "West Sussex Music") is a company limited by guarantee with charitable status; it incorporated on 10 May 2013 and registered with the Charity Commission on 3 July 2013.

For over 60 years West Sussex Music (originally known as "West Sussex Music Support Service" and later as "West Sussex Music Service"), was a department within West Sussex County Council. On 1 November 2013, with the full support of West Sussex County Council, music services transferred out of local authority control to the Trust. All teaching staff and managers TUPE transferred to West Sussex Music and ownership of the instrument stock transferred to the Trust.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

- Mrs E M Evans
- Mrs C E Golden (appointed 7/7/2022)
- Dr C Guillaumier
- Mr L C Nettle (resigned 7/7/2022)
- Mr T M Riches
- Mrs G Stainer (appointed 11/1/2022)

The Board of Trustees is responsible for appointing trustees, up to a maximum of nine. New trustees are recruited by recommendation and by utilising the knowledge of existing trustees who have a wide network of contacts in the voluntary and business communities of West Sussex. Potential trustees meet with the Chief Executive, and at least one other trustee, to find out more about the responsibilities of role. If both sides feel they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following that meeting a decision is made whether to invite the individual to become a trustee.

All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activities of West Sussex Music.

The term of office for all trustees shall be no more than three years. Retirement takes effect at the conclusion of the meeting nearest to the trustee's election anniversary. A trustee shall be eligible for re-election by the trustees, for up to one further term of up to three years. After a trustee has left the Board, they shall be eligible for election only after three years have elapsed since they stepped down as trustee.

At the trustees' meeting on 7 July 2022 the following trustee retired following their first term of office:

- Christina Guillaumier

At the trustee's meeting on 7 July 2022 the following trustee was re-elected for a second term of office:

- Christina Guillaumier

The trustees are responsible for adopting the business plan and annual budget, ensuring that the charitable objects are met and that the business is compliant. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The management and governance structure of the Trust consists of the Board of Trustees and the Senior Leadership Team. The Board of Trustees meet during the year on a quarterly basis. The Chief Executive and Head of Finance also attend by invitation.

The Senior Leadership Team consists of:

- James Underwood [Chief Executive]
- Angela Croucher [Head of Finance]
- Louise Pickett [Head of Operations]
- Alison Sutton [Assistant Head]
- Paul Smyth [Assistant Head] - since 01/09/22

WEST SUSSEX MUSIC TRUST

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 AUGUST 2022**

The senior leadership team runs the Trust, implementing the policies set by the Board of Trustees and reporting back to them. Budget responsibility has been delegated by trustees to the senior leadership team. The senior leadership team is supported by the business management team with responsibilities for specific areas of core delivery.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08524556 (England and Wales)

Registered Charity number

1152703

Registered office

Herbert Shiner School
South Grove
Petworth
GU28 0EE

Trustees

Ms E M Evans
Dr C Guillaumier
L C Nettley (resigned 7/7/2022)
T M Riches
Ms G Stainer (appointed 11/1/2022)
Ms C E Golden (appointed 7/7/2022)

Company Secretary

J G Underwood

Senior Statutory Auditor

John Thacker FCA DChA

Auditors

Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of West Sussex Music Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

WEST SUSSEX MUSIC TRUST

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and 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.

AUDITORS

The auditors, Chariot House Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 13 January 2023 and signed on the board's behalf by:

.....
T M Riches - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

Opinion

We have audited the financial statements of West Sussex Music Trust (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and its activities, and through discussion with the trustees and management, we identified the principal risks and considered the extent to which these would have a material impact on the financial statements. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud, and reviewed significant or unusual transactions to identify their underlying supporting rationale

We inspected the minutes of meetings of those charged with governance, and made direct enquiries of management and the board of trustees concerning the charity's policies and procedures relating 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 risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- * The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates were indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

We also

- * discussed and reviewed the charity's business model and forward planning to assess going concern
- * communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- * reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- * carried out substantive testing on income and expenditure
- * re-performed reconciliations of control accounts, and recalculating items such as depreciation

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WEST SUSSEX MUSIC TRUST**

Use of our report

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

John Thacker FCA DChA (Senior Statutory Auditor)
for and on behalf of Chariot House Limited
Chartered Accountants and Statutory Auditor
44 Grand Parade
Brighton
BN2 9QA

Date: 13 January 2023

WEST SUSSEX MUSIC TRUST**STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	1,143,135	251	1,143,386	1,655,612
Charitable activities					
Charitable Activities		473,089	-	473,089	581,042
Investment income	4	1,160	-	1,160	-
Other income		<u>100</u>	<u>-</u>	<u>100</u>	<u>11,067</u>
Total		<u>1,617,484</u>	<u>251</u>	<u>1,617,735</u>	<u>2,247,721</u>
EXPENDITURE ON					
Charitable activities	6				
Charitable Activities		<u>1,504,608</u>	<u>20,102</u>	<u>1,524,710</u>	<u>1,829,766</u>
NET INCOME/(EXPENDITURE)		112,876	(19,851)	93,025	417,955
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>938,104</u>	<u>32,715</u>	<u>970,819</u>	<u>552,864</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,050,980</u></u>	<u><u>12,864</u></u>	<u><u>1,063,844</u></u>	<u><u>970,819</u></u>

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST**BALANCE SHEET**
31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	14	494,998	-	494,998	546,432
CURRENT ASSETS					
Debtors	15	44,274	-	44,274	27,831
Cash at bank		<u>709,634</u>	<u>12,864</u>	<u>722,498</u>	<u>484,989</u>
		753,908	12,864	766,772	512,820
CREDITORS					
Amounts falling due within one year	16	(197,926)	-	(197,926)	(88,433)
NET CURRENT ASSETS		<u>555,982</u>	<u>12,864</u>	<u>568,846</u>	<u>424,387</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,050,980</u>	<u>12,864</u>	<u>1,063,844</u>	<u>970,819</u>
NET ASSETS		<u>1,050,980</u>	<u>12,864</u>	<u>1,063,844</u>	<u>970,819</u>
FUNDS	17				
Unrestricted funds				1,050,980	938,104
Restricted funds				<u>12,864</u>	<u>32,715</u>
TOTAL FUNDS				<u>1,063,844</u>	<u>970,819</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13 January 2023 and were signed on its behalf by:

.....
T M Riches - Trustee

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST**CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>245,112</u>	<u>295,594</u>
Net cash provided by operating activities		<u>245,112</u>	<u>295,594</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,713)	-
Sale of tangible fixed assets		2,950	-
Interest received		<u>1,160</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(7,603)</u>	<u>-</u>
Cash flows from financing activities			
Loan repayments in year		<u>-</u>	<u>(50,000)</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(50,000)</u>
		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		237,509	245,594
Cash and cash equivalents at the beginning of the reporting period		<u>484,989</u>	<u>239,395</u>
Cash and cash equivalents at the end of the reporting period		<u>722,498</u>	<u>484,989</u>

The notes form part of these financial statements

WEST SUSSEX MUSIC TRUST**NOTES TO THE CASH FLOW STATEMENT**
FOR THE YEAR ENDED 31 AUGUST 2022**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	93,025	417,955
Adjustments for:		
Depreciation charges	60,197	64,941
Loss on disposal of fixed assets	-	3,741
Interest received	(1,160)	-
(Increase)/decrease in debtors	(16,443)	169,668
Increase/(decrease) in creditors	<u>109,493</u>	<u>(360,711)</u>
Net cash provided by operations	<u><u>245,112</u></u>	<u><u>295,594</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/21 £	Cash flow £	At 31/8/22 £
Net cash			
Cash at bank	<u>484,989</u>	<u>237,509</u>	<u>722,498</u>
	<u>484,989</u>	<u>237,509</u>	<u>722,498</u>
Total	<u><u>484,989</u></u>	<u><u>237,509</u></u>	<u><u>722,498</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £1.

The charity is a public benefit entity as defined by FRS102.

Going Concern

The financial statements have been prepared on a going concern basis. The trustees have considered all relevant information, including the annual budget, forecasted future cash flows and the impact of subsequent events in making their assessment.

Based on these assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

Income

Donations and grants are recognised as income resources when there is evidence of entitlement of gift, receipt is probable and its amount can be measured reliably.

Income from charitable activities is recognised in the period to which the income relates. Where invoiced in advance the appropriate amounts are therefore treated as deferred income.

Expenditure

Expenditure relating to charitable activities is included in the Statement of Financial Activities on an accruals basis. It includes music teachers' remuneration, travel and room hire costs, inclusive of any irrecoverable VAT.

Governance costs include amounts incurred in respect of the running of the charity as an organisation, including general management, administration, legal and constitutional matters.

Support costs include staff costs incurred to support governance, together with the cost of general management including office costs.

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Over the term of the lease
Instruments	- Straight line over 20 years
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Impairment of non-current assets

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

Recoverable amount is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments o the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Retirement benefits to two employees of the trust are provided by the Local Government Pension Scheme ('LGPS') which is a defined benefit scheme and assets are held separately from those of the trust.

The LGPS is a funded defined benefit scheme, however it was agreed on transfers out from the County Council that this is to be deal with on a pass through basis, meaning that County Council underwrite any pension liabilities and therefore this has been accounted for as a defined contribution scheme.

The trust also operates a People's Pension scheme which is a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, short term liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar accounts. Bank overdrafts are shown within borrowings and current liabilities.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022**1. ACCOUNTING POLICIES - continued****Financial instruments (cont)**

The trust has only financial assets and liabilities of a kind that qualify as basic financial instruments in line with Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues". Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	7,318	12,635
Grants	<u>1,136,068</u>	<u>1,642,977</u>
	<u>1,143,386</u>	<u>1,655,612</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Arts Council England	967,732	1,052,488
Arts Council England Culture Recovery Fund	160,753	383,196
Brighton & Hove Music & Arts	-	26,400
Redehall Special Needs School	-	2,638
Arts Council England - TPS Grant	-	56,724
Arts Council England Music Centre Grant	-	100
Hertfordshire Music Service	1,500	-
West Sussex County Council	6,083	-
Other grants	<u>-</u>	<u>121,431</u>
	<u>1,136,068</u>	<u>1,642,977</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2022**4. INVESTMENT INCOME**

	2022	2021
	£	£
Deposit account interest	<u>1,160</u>	<u>-</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2022 Charitable Activities	2021 Total activities
	£	£
Music education	<u>473,089</u>	<u>581,042</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Grant funding of activities (see note 8)	Support costs (see note 9)	Totals
	£	£	£	£
Charitable Activities	<u>876,398</u>	<u>47,253</u>	<u>601,059</u>	<u>1,524,710</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	616,273	1,125,398
Event Costs	8,377	21,439
Instrument Costs	65,199	22,675
Music Purchase	4,762	1,495
Professional Fees: Music	87,907	54,877
Room Hire	32,983	6,328
Safeguarding & Risk Assessment	6,893	19
Teaching Resources	414	544
Depreciation	<u>53,590</u>	<u>54,178</u>
	<u>876,398</u>	<u>1,286,953</u>

8. GRANTS PAYABLE

	2022	2021
	£	£
Charitable Activities	<u>47,253</u>	<u>8,026</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2022**9. SUPPORT COSTS**

2022 Allocation of costs	Staff costs £	Depreciation £	Other costs £	Total costs £
Music Education				
Activities undertaken directly	616,273	53,590	253,803	923,666
Support costs (excluding governance)	<u>374,155</u>	<u>6,607</u>	<u>125,143</u>	<u>505,905</u>
Total	990,428	60,197	378,946	1,429,571
Governance costs	<u>53,191</u>	<u>-</u>	<u>41,963</u>	<u>95,154</u>
Total resources expended	<u><u>1,043,619</u></u>	<u><u>60,197</u></u>	<u><u>420,909</u></u>	<u><u>1,524,725</u></u>

Other direct costs includes the grants awarded of £47,253.

Other governance costs are made up as follows;

Senior Management time allocated	53,191
Audit and accountancy fees	13,948
Bank charges and processing	3,880
Professional fees	5,474
Recruitment costs	<u>18,661</u>
	<u><u>95,154</u></u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	60,197	60,152
Auditors remuneration - audit fees	6,500	8,500
Auditors remuneration - non audit fees	<u>2,500</u>	<u>2,900</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2022**12. STAFF COSTS**

	2022	2021
	£	£
Wages and salaries	913,935	1,255,745
Social security costs	63,968	82,254
Other pension costs	<u>65,716</u>	<u>165,362</u>
	<u>1,043,619</u>	<u>1,503,361</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Central (including administration)	19	14
Delivery staff	<u>45</u>	<u>46</u>
	<u>64</u>	<u>60</u>

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

	2022	2021
£60,001 - £70,000	1	1
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u>2</u>	<u>1</u>

The total remuneration paid to Key Management Personnel during the year was £232,157 (2021; £239,958).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,568,751	86,861	1,655,612
Charitable activities			
Charitable Activities	581,042	-	581,042
Other income	<u>11,067</u>	<u>-</u>	<u>11,067</u>
Total	<u>2,160,860</u>	<u>86,861</u>	<u>2,247,721</u>
EXPENDITURE ON			
Charitable activities			
Charitable Activities	<u>1,749,565</u>	<u>80,201</u>	<u>1,829,766</u>
NET INCOME	411,295	6,660	417,955
RECONCILIATION OF FUNDS			
Total funds brought forward	526,809	26,055	552,864

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2022**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>938,104</u>	<u>32,715</u>	<u>970,819</u>

14. TANGIBLE FIXED ASSETS

	Improvements to property £	Instruments £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2021	15,705	1,075,242	9,883	86,404	1,187,234
Additions	-	4,899	1,497	5,317	11,713
Disposals	-	(6,651)	-	-	(6,651)
At 31 August 2022	<u>15,705</u>	<u>1,073,490</u>	<u>11,380</u>	<u>91,721</u>	<u>1,192,296</u>
DEPRECIATION					
At 1 September 2021	14,832	546,940	9,058	69,972	640,802
Charge for year	873	53,634	758	4,932	60,197
Eliminated on disposal	-	(3,701)	-	-	(3,701)
At 31 August 2022	<u>15,705</u>	<u>596,873</u>	<u>9,816</u>	<u>74,904</u>	<u>697,298</u>
NET BOOK VALUE					
At 31 August 2022	<u>-</u>	<u>476,617</u>	<u>1,564</u>	<u>16,817</u>	<u>494,998</u>
At 31 August 2021	<u>873</u>	<u>528,302</u>	<u>825</u>	<u>16,432</u>	<u>546,432</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	46,516	33,033
Provision For Bad Debt	(23,393)	(13,838)
Other debtors	435	607
Prepayments and accrued income	<u>20,716</u>	<u>8,029</u>
	<u>44,274</u>	<u>27,831</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2022****16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Trade creditors	28,071	49,148
Social security and other taxes	17,068	12,963
Other creditors	6,892	5,433
Accruals and deferred income	<u>145,895</u>	<u>20,889</u>
	<u>197,926</u>	<u>88,433</u>

17. MOVEMENT IN FUNDS

	At 1/9/21 £	Net movement in funds £	Transfers between funds £	At 31/8/22 £
Unrestricted funds				
General fund	938,104	112,876	(200,000)	850,980
Future Building Fund	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
	938,104	112,876	-	1,050,980
Restricted funds				
Music Centres	13,954	(6,102)	-	7,852
Horsham Council	507	(507)	-	-
Instrument Fund	384	(384)	-	-
Accessible Orchestra	11,829	(11,829)	-	-
West Dene Fund	2,750	-	-	2,750
Worthing Lions Tour	1,000	(570)	-	430
Music for All	<u>2,291</u>	<u>(459)</u>	<u>-</u>	<u>1,832</u>
	<u>32,715</u>	<u>(19,851)</u>	<u>-</u>	<u>12,864</u>
TOTAL FUNDS	<u>970,819</u>	<u>93,025</u>	<u>-</u>	<u>1,063,844</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,617,484	(1,504,608)	112,876
Restricted funds			
Music Centres	-	(6,102)	(6,102)
Horsham Council	-	(507)	(507)
Instrument Fund	-	(384)	(384)
Accessible Orchestra	250	(12,079)	(11,829)
Worthing Lions Tour	-	(570)	(570)
Music for All	<u>-</u>	<u>(460)</u>	<u>(459)</u>
	<u>250</u>	<u>(20,102)</u>	<u>(19,851)</u>
TOTAL FUNDS	<u>1,617,735</u>	<u>(1,524,710)</u>	<u>93,025</u>

WEST SUSSEX MUSIC TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued**
FOR THE YEAR ENDED 31 AUGUST 2022**17. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1/9/20 £	Net movement in funds £	At 31/8/21 £
Unrestricted funds			
General fund	526,809	411,295	938,104
Restricted funds			
Music Centres	21,414	(7,460)	13,954
Horsham Council	507	-	507
Instrument Fund	384	-	384
Accessible Orchestra	-	11,829	11,829
West Dene Fund	2,750	-	2,750
Worthing Lions Tour	1,000	-	1,000
Music for All	-	2,291	2,291
	<u>26,055</u>	<u>6,660</u>	<u>32,715</u>
TOTAL FUNDS	<u>552,864</u>	<u>417,955</u>	<u>970,819</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,160,860	(1,749,565)	411,295
Restricted funds			
Music Centres	1,100	(8,560)	(7,460)
Accessible Orchestra	26,400	(14,571)	11,829
Music for All	2,637	(346)	2,291
Arts Council England - TPS Grant	56,724	(56,724)	-
	<u>86,861</u>	<u>(80,201)</u>	<u>6,660</u>
TOTAL FUNDS	<u>2,247,721</u>	<u>(1,829,766)</u>	<u>417,955</u>

The purposes of the restricted funds are as follows:

The Music Centres' Income is restricted for the purpose of assisting five Music Centres, being Worthing, Horsham, Haywards Heath, Chichester and Crawley.

The Horsham Council grant is restricted for the purpose of the Horsham Year of Culture.

The Instrument fund is restricted to either the purchase of new instruments or the refurbishment of existing instruments from the disposal proceeds of existing instruments.

The Accessible Orchestra Fund is restricted to the teaching and providing of orchestras for all children.

17. MOVEMENT IN FUNDS - continued

The West Dene Fund is restricted for the 'Crawley Sings' event.

The Worthing Lions Tour donation is restricted for use on the Music Centres Tour.

The Arts Council England TPS grant is restricted for the purpose of paying for increases in the employer's contributions required to the Teachers Pension Scheme.

The Music for All income is restricted to grants for specific pupils to participate in music lessons.

18. EMPLOYEE BENEFIT OBLIGATIONS

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, it was agreed on transfer that this is to be dealt with on a 'pass through' basis, meaning that County Council underwrite any pension liabilities and therefore this has been accounted for as a defined contribution scheme. The agreed employer contribution rate was 22.7% to March 2022 and 21.7% of pensionable pay thereafter. The total employer contributions made for the year ended 31 August 2022 was £27,904 (2021: £34,570).

Other pension schemes

The trust operates a definite contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund. The charge for the year for employers contributions was £37,812 (2021: £14,098).

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2022

WEST SUSSEX MUSIC TRUST

England & Wales - Charity number 1152703

Accounts

Charity Registration No. 1152703

Company Registration No. 08524556 (England and Wales)

WEST SUSSEX MUSIC TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

WEST SUSSEX MUSIC TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr L C Nettley Mr T M Riches Dr C Guillaumier Mrs E M Evans
Secretary	Mr J G Underwood
Charity number	1152703
Company number	08524556
Registered office	Herbert Shiner School South Grove Petworth West Sussex GU28 0EE
Auditor	Carpenter Box Amelia House Crescent Road Worthing West Sussex BN11 1RL
Bankers	Clydesdale Bank Plc 5 Peveril Court 6-8 London Road Crawley RH10 8JE

WEST SUSSEX MUSIC TRUST

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WEST SUSSEX MUSIC TRUST

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

The trustees present their report and accounts for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the trust's Articles of Association 2013, the Charities Act 2011, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)" published in October 2019.

Objectives and activities

In accordance with its Articles of Association, West Sussex Music Trust ("the trust") exists to:

- advance education for the public benefit particularly, but not exclusively, in relation to music, the arts and performing arts;
- advance the arts and culture for the benefit of the public particularly, but not exclusively, by promoting and facilitating access to performances of music and other art forms;
- provide for the recreation of children, young people and adults for the benefit of the public by providing equipment, facilities and services to them in the interest of social welfare with the object of improving their conditions of life;
- advance the health and wellbeing of children, young people and adults for the benefit of the public;
- promote social inclusion for the public benefit by assisting those people who are socially excluded from society, or parts of society.

The trust provides music education to children and young people and supports 287 schools through an offer of whole-class first access programmes, ensemble opportunities, instrumental and vocal tuition, singing projects, CPD for teachers, instrument loan and large-scale inclusive music events. Additionally, the trust provides a comprehensive range of ensemble, tuition and support activities at its Saturday and evening music centres. The trust extends its reach by leading the West Sussex Music Education Hub; working strategically with Hub partners to raise participation and improve access to high-quality inclusive music-making, especially to disadvantaged and harder to reach young people. The work of the Hub is supported by the Department for Education's national music education hub grant which is managed by the trust.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding which activities the trust should undertake.

There is a charge for some of the services provided by the trust but there is a bursary fund for parents/carers in receipt of certain state benefits. The bursary fund uses the Department for Education's ('DfE') national hub grant to provide up to 100% subsidy for group lessons, instrument hire and music centre membership for pupils that receive benefits-related Free School Meals or are Children in Care.

Families in financial need that do not meet the 100% subsidy criteria are signposted to external grants and funds designed to help children access tuition. Schools are encouraged to use their Pupil Premium funding to support pupils' music education outside the classroom. The trust actively encourages families to consider paying monthly to spread the financial pressure.

Achievements and performance

For much of the 2020-21 academic year, face to face tuition was severely limited due to school closures. Pupil numbers were significantly reduced in comparison with pre-pandemic levels, but the ingenuity and creativity of staff ensured notable achievements during this disrupted and challenging year, such as:

WEST SUSSEX MUSIC TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

- The introduction of online tuition and virtual ensemble rehearsals and performances for when face-to-face provision was not possible. 65% of students opted for online provision and evidence shows that those accessing online learning were more likely to continue lessons when face-to-face provision returned. All schools were offered online curriculum resources and CPD opportunities.
- The Youth Music (Alliance for a Musically Inclusive England) funded "Orchestras Inc." inclusive ensemble moved online during the pandemic, attracting even more SEN(D) participants than when it was face-to-face only.
- The establishment in April 2021 of the Music Education Hub Board* to oversee the use of the national music education hub grant and act as a stakeholder advisory panel to the Trust, as lead organisation, on the Hub's strategy. This has created clarity and transparency between the Hub's national music grant objectives as distinct from the business and statutory responsibilities of the lead organisation's Board of Trustees.

*The Hub Board is a requirement of the Arts Council England (ACE) national funding and was created following ACE-funded consultation work by Golant Innovation.

- Increased engagement on West Sussex Music's social medial channels to publicise the benefits of music education and to celebrate the achievements of young people through links to YouTube individual and group performances.

COVID-19 pandemic

The closure of schools and music centres due to COVID-19 restrictions caused ongoing uncertainty for traded services during the 2020-21 academic year. The Trust made several strategic decisions following expert legal, financial and HR advice to ensure its long-term financial stability.

- **Use of the Government's Coronavirus Job Retention Scheme**
The furlough scheme supported the wages of salaried teachers unable to deliver face to face tuition.
- **Development of online learning options for tuition; school programmes; ensembles and CPD**
During the autumn of 2020 and spring 2021 the trust launched an online offer which could blend with face-to-face provision when this was possible:
 - Virtual Music Centre - 10 ensembles delivered on Saturday mornings
 - Online whole-class ensemble teaching ("WCET") - a series of YouTube videos and interactive online sessions
 - Online instrumental and vocal tuition to small groups and individual students.

To support online learning, a new online safeguarding policy was developed for families opting for online provision and adopted by teachers. The trust invested in Zoom pro-licences for hosts of CPD sessions and leaders of virtual ensembles to ensure longer session durations and more functionality. An audit of West Sussex Music teacher's training needs shaped the CPD programme.

A new SharePoint site, Student Zone, for sharing teaching resources was created to support online learning. Student Zone is a password protected site available to all West Sussex Music teachers and their pupils, where inspirational videos, written repertoire ideas and advice sheets are posted.

- **An organisational restructure and consultation on teachers' pay and conditions**
In early 2021 a formal consultation process on teachers' pay and conditions took place. New terms of employment commenced on 1 May for those who accepted the new contract. The new contract has ensured continued employment and the survival of the trust as a significant music education provider in the county. Teachers that rejected the new contract had their employment terminated by redundancy but were invited to continue their current teaching as an independent, quality assured Associate Tutor should they wish to register. The senior leadership team was reduced by 1 FTE.

WEST SUSSEX MUSIC TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

- **Successful application to Arts Council England for a Cultural Recovery Fund (2) grant**

A successful bid of £535,845 to the Cultural Recovery Fund (2) ('CRF (2)'), from April to December 2021, gives the Trust and the Hub the best possible start on the road to recovery, stability, and rebuilding music education in West Sussex. The CRF(2) budget has funded:

- Building financial reserves
- Staff recruitment costs
- Marketing and publicity
- Rebranding
- Rebuilding music centre activities and tuition
- Staff training for improving inclusion and youth voice
- Implementing a new data management and billing system

Financial review

The Trust has two main sources of income, traded income through the provision of music tuition direct to families and schools and the DfE national music education hub grant, administered by Arts Council England.

During the year ending 31 August 2021, total income was £2,247,721 (2020: £3,029,511) which exceeded expenditure of £1,829,765 (2020: £2,731,422) generating an overall surplus of £417,956 (2020: £298,089).

At 31 August 2021 the net book value of fixed assets was £546,433 (2020: £615,115) of which £528,303 (2020: £586,222) was the instrument stock. The assets were used exclusively for providing tuition and associated support services to pupils and schools in West Sussex.

The balance of unrestricted funds at the year end is £938,106 (2020: £526,808).

Restricted funds amount to £32,715 (2020: £26,057) at the year end and a more detailed analysis of these funds are provided in note 19. These relate to funds received for specific purposes that cannot be used for the general objects of the Charity.

Going concern

The measures that management has taken during the COVID-19 crisis – including use of the government's support for businesses, the organisational restructure, and the award of the Cultural Recovery Grant - have ensured the long-term viability of the trust. The current liquidity that the trust has available to fulfil its obligations and to finance its ongoing operations provides the basis for the trustees' conclusion that there is not a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern.

Reserves policy

The process of holding reserves is an essential part of good financial management practice. Trustees are however, required to justify their legal power to hold reserves.

The trustees of West Sussex Music Trust have determined that there is a need to secure the organisation's viability beyond the immediate future in order to provide reliable music services and funding over the longer term and to be able to absorb downturns in income.

A formula to determine the level of reserves includes:

- costs of staff redundancies
- contractual relationships, e.g. leases
- working capital requirements
- any outstanding net liabilities
- financing planned investments

WEST SUSSEX MUSIC TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

The level of reserves required is reviewed bi-annually or as necessary to take into account the above formula. Responsibility for approving the annual assessment lies with the trustees. The Chief Executive and Head of Finance report to the trustees every year and make such recommendations for adjusting the reserves as appropriate.

To establish the value of reserves available to trustees known as "free reserves" monies held for specific purposes, including restricted funds and designated by the trustees for particular projects and any monies not available for other uses, must first be deducted. Restricted funds, the use of which is formally restricted by the funder, total £32,715 at the reporting date (2020: 26,057).

The policy of the Trust is to keep an operating free reserve with a minimum balance of £340,000 to reflect the above formula after deductions. At the balance sheet date, the operating free reserve at £391,673 (being unrestricted funds less fixed assets) was greater than the target amount and minimum acceptable balance. At this balance, trustees are confident that they have scope to take action to mitigate emerging risks and invest in sustainable income generation.

This is supported through full cost recovery budgeting, accurate forecasting, and careful treasury management. Any remaining free reserves not required under the reserves policy are available to develop the work of the charity, to meet its charitable objectives.

Principal risks and uncertainties

The trustees have a risk management strategy which comprises of a quarterly review of the risks the charity may face and a review of all procedural policies. During the COVID-19 pandemic, risk assessments have been presented to the Board more regularly. The trustees have assessed the major risks to which the trust is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

The organisational restructure and new operating model have ensured that the trust's core traded business is now less reliant on national music education hub funding than it was previously. More of the hub's national grant funding, therefore, is available to extend the music education hub's range of services, by commissioning provision from strategic hub partners, and offer subsidies that will allow greater access to disadvantaged and harder to reach students.

The trust will rebuild its range of traded services to schools and its music centres by proactively recruiting teachers and associates to build student numbers to pre-pandemic levels of engagement.

Structure, governance and management

West Sussex Music Trust (trading as "West Sussex Music") is a company limited by guarantee with charitable status; it was incorporated on 10 May 2013 and registered with the Charity Commission on 3 July 2013. For over 50 years West Sussex Music (originally known as "West Sussex Music Support Service" and later as "West Sussex Music Service"), was a department within West Sussex County Council. On 1 November 2013, with the full support of West Sussex County Council, music services transferred out of local authority control to the trust. All teaching staff and managers TUPE transferred to West Sussex Music and ownership of the instrument stock transferred to the trust.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

Mr L C Nettley

Mr T M Riches

Mr E G Rodriguez-Molinero

(Resigned 27 April 2021)

Dr C Guillaumier

Mrs E M Evans

Ms K Powell

(Resigned 27 April 2021)

WEST SUSSEX MUSIC TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The Board of Trustees is responsible for appointing trustees, up to a maximum of nine. New trustees are recruited by recommendation and by utilising the knowledge of existing trustees who have a wide network of contacts in the voluntary and business communities of West Sussex. Potential trustees meet with the Chief Executive, and one other trustee, to find out more about the responsibilities of role. If both sides feel they wish to proceed, the potential trustee is invited to attend a trustees' meeting as an observer. Following that meeting a decision is made whether to invite the individual to become a trustee.

All new trustees join an induction programme designed to familiarise them with the strategy, management and day-to-day activities of West Sussex Music.

The term of office for all trustees shall be no more than three years. Retirement takes effect at the conclusion of the meeting nearest to the trustee's election anniversary. A trustee shall be eligible for re-election by the trustees, for up to one further term of up to three years. After a trustee has left the Board, they shall be eligible for election only after three years have elapsed since they stepped down as trustee.

At the trustees' meeting on 27 April 2021 the following trustees retired following their first term of office:

- Mr E G Rodriguez-Molinero
- Mr L C Nettley

Additionally at the 27 April meeting, the following trustee voluntarily declared their retirement mid-term:

- Ms K Powell

At the trustee's meeting on 27 April 2021 the following trustee was re-elected for second term of office:

- Mr L C Nettley

The trustees are responsible for adopting the business plan and annual budget, ensuring that the charitable objects are met and that the business is compliant. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The management and governance structure of the Trust consists of the Board of Trustees and the Senior Leadership Team. The Board of Trustees meet during the year on a quarterly basis. The Chief Executive and Head of Finance also attend by invitation.

The Senior Leadership Team consists of:

- | | | |
|-------------------|------------------|----------------------|
| • James Underwood | Chief Executive | |
| • Alison Sutton | Assistant Head | |
| • Angela Croucher | Head of Finance | |
| • Louise Pickett | HR Manager | |
| • Ali Unsted | Business Manager | (Resigned July 2021) |

The Senior Leadership Team runs the trust, implementing the policies set by the Board of Trustees and reporting back to them. Budget responsibility has been delegated by trustees to the senior leadership team. The Senior Leadership Team is supported by a wider team of managers and senior teachers with responsibilities for specific areas of core delivery.

Auditor

In accordance with the company's articles, a resolution proposing that Carpenter Box be reappointed as auditor of the company will be put at a General Meeting.

WEST SUSSEX MUSIC TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

On behalf of the Board of Trustees

Mr L C Nettley

Chair of Trustees

Dated: 11 January 2022

WEST SUSSEX MUSIC TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are also the directors of West Sussex Music Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WEST SUSSEX MUSIC TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF WEST SUSSEX MUSIC TRUST

Opinion

We have audited the financial statements of West Sussex Music Trust (the 'trust') for the year ended 31 August 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the trust 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 trust'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.

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.

WEST SUSSEX MUSIC TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF WEST SUSSEX MUSIC TRUST

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the trust for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the trust operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the trust's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the company and our sector-specific experience.

WEST SUSSEX MUSIC TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF WEST SUSSEX MUSIC TRUST

As a result of these procedures, we considered the opportunities and incentives that may exist within the trust for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified the following areas as those most likely to have an impact on the financial statements: employment law; and, compliance with the UK Companies Act and UK Charities Act.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of the board and senior management;
- Reading correspondence with regulators;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to depreciation; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Robin Evans BA FCA CTA (Senior Statutory Auditor)
for and on behalf of Carpenter Box
Chartered Accountants
Statutory Auditor
Worthing

25 January 2022

WEST SUSSEX MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and legacies	3	1,568,750	86,862	1,655,612	1,680,020
Incoming resources from charitable activities	4	581,042	-	581,042	1,251,161
Investments	5	-	-	-	72
Other income	6	11,067	-	11,067	98,258
Total income		2,160,859	86,862	2,247,721	3,029,511
<u>Expenditure on:</u>					
Charitable activities	7	1,745,820	80,204	1,826,024	2,726,582
Other		3,741	-	3,741	4,840
Total resources expended		1,749,561	80,204	1,829,765	2,731,422
Net income for the year/ Net movement in funds		411,298	6,658	417,956	298,089
Fund balances at 1 September 2020		526,808	26,057	552,865	254,776
Fund balances at 31 August 2021		938,106	32,715	970,821	552,865

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

All income and expenditure derive from continuing activities.

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

WEST SUSSEX MUSIC TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Property, plant and equipment	12		546,433		615,115
Current assets					
Trade and other receivables	13	27,831		197,499	
Cash at bank and in hand		484,989		239,395	
		<u>512,820</u>		<u>436,894</u>	
Current liabilities	15	(88,432)		(449,144)	
Net current assets/(liabilities)			424,388		(12,250)
Total assets less current liabilities			970,821		602,865
Non-current liabilities	16		-		(50,000)
Net assets			<u>970,821</u>		<u>552,865</u>
Income funds					
Restricted funds	19		32,715		26,057
Unrestricted funds			938,106		526,808
			<u>970,821</u>		<u>552,865</u>

The financial statements were approved by the Trustees on 11 January 2022

Mr L C Nettley
Trustee

Company Registration No. 08524556

WEST SUSSEX MUSIC TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	23		295,594		253,921
Investing activities					
Purchase of property, plant and equipment		-		(55,661)	
Interest received		-		72	
Net cash used in investing activities			-		(55,589)
Financing activities					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(50,000)		-	
Net cash (used in)/generated from financing activities			(50,000)		50,000
Net increase in cash and cash equivalents			245,594		248,332
Cash and cash equivalents at beginning of year			239,395		(8,937)
Cash and cash equivalents at end of year			484,989		239,395

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Company information

West Sussex Music Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Herbert Shiner School, South Grove, Petworth, West Sussex, GU28 0EE.

The trust has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.1 Accounting convention

These accounts have been prepared in accordance with "Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £1.

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

1.2 Going concern

The financial statements have been prepared on a going concern basis. The trustees have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the trust's operations. As described in greater detail in the Trustees' Report, the trust developed an online offering for tuition, whole-class ensemble teaching and music centre activities, to blend with face-to-face teaching where possible, and has also taken advantage of the financial assistance available to them, including the government-backed Coronavirus Job Retention Scheme, and the Arts Council England Culture Recovery Fund. The trustees have performed a robust analysis of forecast future cash flows, taking into account the potential impact on the trust of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the trustees have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

1.3 Incoming resources

Donations and grants are recognised as incoming resources when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from charitable activities is recognised in the period to which the lesson relates. Where invoiced in advance the appropriate amounts are therefore treated as deferred income.

1.4 Resources expended

Expenditure relating to charitable activities is included in the Statement of Financial Activities on an accruals basis. It includes music teachers' remuneration, travel and room hire costs, inclusive of any irrecoverable VAT.

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Governance costs include amounts incurred in respect of the running of the charity as an organisation, including general management, administration, legal and constitutional matters.

Support costs include staff costs incurred to support governance, together with the cost of general management including office costs.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	Straight line over the term of the lease
Instruments	20 years straight line
Fixtures, fittings & equipment	3 - 5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Impairment of non-current assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

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

Financial instruments are recognised in the trust's statement of financial position when the trust becomes party to the contractual provisions of the instrument.

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

The trust enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

1.9 Employee benefits

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

1.10 Retirement benefits

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

As a result of the organisational restructure, the trust ceased to contribute to the TPS during the year.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 16, the TPS is a multi-employer scheme and the trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each period.

The LGPS is a funded defined benefit scheme, however it was agreed on transfer that this is to be dealt with on a pass through basis, meaning that County Council underwrite any pension liabilities and therefore this has been accounted for as a defined contribution scheme.

The trust also operates a People's Pension scheme which is a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.11 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the period of the relevant lease.

1.12 Accumulated funds

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

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	11,635	1,000	12,635	17,708
Grants receivable for core activities	1,557,115	85,862	1,642,977	1,629,800
Donated goods and services	-	-	-	32,512
	<u>1,568,750</u>	<u>86,862</u>	<u>1,655,612</u>	<u>1,680,020</u>
For the year ended 31 August 2021	<u>1,564,353</u>	<u>115,667</u>		<u>1,680,020</u>

Donated goods relate to musical instruments receivable from non-exchange transactions, for use by the Trust.

Grants receivable for core activities

Arts Council England	1,052,488	-	1,052,488	1,052,239
Arts Council England Culture Recovery Fund	383,196	-	383,196	-
Brighton & Hove Music & Arts	-	26,400	26,400	1,047
Redehall Special Needs School	-	2,638	2,638	3,000
HMRC (Coronavirus Job Retention Scheme)	121,431	-	121,431	473,273
West Dene Fund - Crawley Sings Live!	-	-	-	3,000
Arts Council England TPS Grant	-	56,724	56,724	97,241
Arts Council England Music Centre grant	-	100	100	-
	<u>1,557,115</u>	<u>85,862</u>	<u>1,642,977</u>	<u>1,629,800</u>

WEST SUSSEX MUSIC TRUST

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

4 Incoming resources from charitable activities

	2021 £	2020 £
Music education	581,042	1,251,161
Unrestricted funds	581,042	1,241,073

5 Investments

	Total	Unrestricted funds
	2021 £	2020 £
Interest receivable	-	72

6 Other income

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Other income	11,067	98,258

WEST SUSSEX MUSIC TRUST

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

7 Charitable activities

	2021 £	2020 £
Staff costs	1,358,385	2,138,694
Depreciation and impairment	54,178	53,040
Other costs	75,082	244,299
	<u>1,487,645</u>	<u>2,436,033</u>
Grant funding of activities (see note 8)	7,105	-
Share of support costs (see note 9)	216,653	158,801
Share of governance costs (see note 9)	114,621	131,748
	<u>1,826,024</u>	<u>2,726,582</u>
Analysis by fund		
Unrestricted funds	1,745,820	2,584,664
Restricted funds	80,204	141,918
	<u>1,826,024</u>	<u>2,726,582</u>

8 Grants payable

	Music education 2021 £	Music education 2020 £
Grants to individuals	7,105	-
	<u>7,105</u>	<u>-</u>

WEST SUSSEX MUSIC TRUST

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

9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	75,837	70,683	146,520	151,300	Time spent
Other costs	130,053	43,938	173,991	132,179	Direct
Depreciation and impairment	10,763	-	10,763	7,070	Direct
	<u>216,653</u>	<u>114,621</u>	<u>331,274</u>	<u>290,549</u>	
Analysed between Charitable activities	<u>216,653</u>	<u>114,621</u>	<u>331,274</u>	<u>290,549</u>	

Governance costs includes payments to the auditors of £8,500 (2020: £8,075) for audit fees and £2,900 (2020: £2,700) for other services.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year.

WEST SUSSEX MUSIC TRUST

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

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Senior Leadership Team	5	6
Administration Staff	9	12
Permanent Teachers	26	46
Hourly Paid Teachers	20	47
	<u>60</u>	<u>111</u>

Employment costs

	2021 £	2020 £
Wages and salaries	1,257,289	1,835,322
Social security costs	82,254	133,629
Other pension costs	165,362	321,043
	<u>1,504,905</u>	<u>2,289,994</u>

During the year, severance payments were made totalling £256,845 (2020 - £Nil), comprising £229,785 redundancy pay and £27,060 pay in lieu of notice; these amounts are included within wages and salaries above.

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £70,000	<u>1</u>	<u>1</u>

WEST SUSSEX MUSIC TRUST

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

12 Property, plant and equipment

	Leasehold improvements	Instruments	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	15,705	1,083,556	96,286	1,195,547
Disposals	-	(8,314)	-	(8,314)
At 31 August 2021	15,705	1,075,242	96,286	1,187,233
Depreciation and impairment				
At 1 September 2020	9,071	497,334	74,027	580,432
Depreciation charged in the year	5,761	54,178	5,002	64,941
Eliminated in respect of disposals	-	(4,573)	-	(4,573)
At 31 August 2021	14,832	546,939	79,029	640,800
Carrying amount				
At 31 August 2021	873	528,303	17,257	546,433
At 31 August 2020	6,634	586,222	22,259	615,115

13 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	19,195	173,114
Other receivables	607	966
Prepayments and accrued income	8,029	23,419
	27,831	197,499

14 Borrowings

	2021 £	2020 £
Bank loans	-	50,000
Payable after one year	-	50,000
Amounts included above which fall due after five years:		
Payable by instalments	-	9,167

WEST SUSSEX MUSIC TRUST

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

15 Current liabilities

	Notes	2021 £	2020 £
Other taxation and social security		12,963	19,184
Deferred income	17	3,707	295,175
Trade payables		49,148	71,789
Other payables		5,253	38,882
Accruals and deferred income		17,361	24,114
		<u>88,432</u>	<u>449,144</u>

16 Non-current liabilities

	Notes	2021 £	2020 £
Bank loans	14	-	50,000
		<u>-</u>	<u>50,000</u>

17 Deferred income

	2021 £	2020 £
Arising from tuition fees invoiced in advance	<u>3,707</u>	<u>295,175</u>

The income deferred in 2020 was released to the current year.

WEST SUSSEX MUSIC TRUST

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

18 Retirement benefit schemes

Defined contribution schemes

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

As a result of the organisational restructure and changes to employee contracts, the trust ceased to contribute to the TPS during the year.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £116,695 (2020: £263,746).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

WEST SUSSEX MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Retirement benefit schemes

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, it was agreed on transfer that this is to be dealt with on a 'pass through' basis, meaning that County Council underwrite any pension liabilities and therefore this has been accounted for as a defined contribution scheme. The agreed employer contribution rate is 20.8% of pensionable pay. The total contribution made for the year ended 31 August 2021 was £34,570 (2020: £41,131).

Other pension schemes

The trust operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the trust in an independently administered fund. The charge for the year was £14,098 (2020: £16,166).

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 September 2019	Incoming resources	Resources expended	Transfers	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 31 August 2021
	£	£	£	£	£	£	£	£
Music Centres	26,284	11,578	(16,446)	-	21,416	1,100	(8,562)	13,954
Horsham Council	2,780	2,019	(4,292)	-	507	-	-	507
Instrument fund	1,137	-	(753)	-	384	-	-	384
Accessible Orchestra	10,175	3,000	(14,956)	1,781	-	26,400	(14,571)	11,829
Musical Chairs	63	5,517	(5,580)	-	-	-	-	-
West Dene Fund	-	3,000	(250)	-	2,750	-	-	2,750
Worthing Lions Tour	-	1,000	-	-	1,000	-	-	1,000
Music Centres	-	2,400	(2,400)	-	-	-	-	-
Music for All	-	-	-	-	-	2,638	(347)	2,291
Arts Council England TPS Grant	-	97,241	(97,241)	-	-	56,724	(56,724)	-
	<u>40,439</u>	<u>125,755</u>	<u>(141,918)</u>	<u>1,781</u>	<u>26,057</u>	<u>86,862</u>	<u>(80,204)</u>	<u>32,715</u>

The Music Centres' income is restricted for the purpose of assisting the five Music Centres, being Worthing, Horsham, Haywards Heath, Chichester and Crawley.

The Horsham Council grant is restricted for the purpose of Horsham Year of Culture.

The instrument fund is restricted to either the purchase of new instruments or the refurbishment of existing instruments from the disposal proceeds of existing instruments.

The Accessible Orchestra Fund is restricted to the teaching and providing of orchestras for all children.

The West Dene Fund is restricted for the "Crawley Sings" event.

WEST SUSSEX MUSIC TRUST

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

19 Restricted funds

(Continued)

The Worthing Lions Tour donation is restricted for use on the Music Centres tour.

The Arts Council England TPS grant is restricted for the purpose of paying for increases in the employer's contributions required to the Teachers Pension Scheme.

The Music for All income is restricted to grants for specific pupils to participate in music lessons.

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Property, plant and equipment	546,433	-	546,433	615,115	-	615,115
Current assets/(liabilities)	424,388	-	424,388	(38,307)	26,057	(12,250)
Long term liabilities	-	-	-	(50,000)	-	(50,000)
	<u>970,821</u>	<u>-</u>	<u>970,821</u>	<u>526,808</u>	<u>26,057</u>	<u>552,865</u>

21 Operating lease commitments

At the reporting end date the trust had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	3,000	28,000
Between two and five years	-	3,000
	<u>3,000</u>	<u>31,000</u>

Operating lease payments recognised as an expense during the year totalled £28,000 (2020: £20,500).

During the prior year a rent concession was received in relation to one of the leases held due to COVID-19. This was a five-month rent free period, resulting in a reduction in lease payments of £7,500 during the year ended 31 August 2020.

WEST SUSSEX MUSIC TRUST

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

22 Related party transactions

There were no disclosable related party transactions during the current or previous year.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	239,958	281,397

23 Cash generated from operations

	2021 £	2020 £
Surplus for the year	417,956	298,089
Adjustments for:		
Investment income recognised in statement of financial activities	-	(72)
Loss on disposal of property, plant and equipment	3,741	4,840
Depreciation and impairment of property, plant and equipment	64,941	60,110
Movements in working capital:		
Decrease in trade and other receivables	169,668	152,287
(Decrease)/increase in trade and other payables	(69,244)	89,564
(Decrease) in deferred income	(291,468)	(350,897)
Cash generated from operations	295,594	253,921

24 Analysis of changes in net funds

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	239,395	245,594	484,989
Loans falling due after more than one year	(50,000)	50,000	-
	<u>189,395</u>	<u>295,594</u>	<u>484,989</u>