

COMPANY REGISTRATION NUMBER: 08430085
CHARITY REGISTRATION NUMBER: 1153015

The Coquetdale Music Trust
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2021

The Coquetdale Music Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name	The Coquetdale Music Trust
Charity registration number	1153015
Company registration number	08430085
Principal office and registered office	Bingfield House Bingfield Newcastle Upon Tyne NE19 2LE

The trustees

D S Jevons
R C Johnstone
T G R Mathews
N S Strike

Independent examiner	Michael W Reed Russell House Greenwell Road Alnwick Northumberland NE66 1HB
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Structure, governance and management

The Coquetdale Music Trust was established in May 2013. The primary aim of the Trust is to provide a community minded organisation which exists to promote music, dance, poetry and the arts to all. This will be done through education programmes, workshops, exhibitions, recording and production. Much of this work will help to preserve, promote and ensure that the rich culture and heritage continues to grow in rural Northumberland, whilst also embracing contemporary music and cultures.

The Coquetdale Music Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Objectives and activities

The Trust provides an opportunity for visitors from outside the area to participate and gain access to the many projects planned. As a charity, the trust is passionate about providing an affordable and accessible venue to be used by the whole community to promote all aspects of the arts, as well as taking projects out into the community throughout North Northumberland. The location and premises of The Coquetdale Music Trust at Thropton, Northumberland are a huge plus point, being in the beautiful location of the Coquet Valley. It provides a unique venue which will bring in clients from further afield in particular to use the recording facilities and to take part in master class arts weekends, concerts, events and exhibitions.

The charity has been established to advance public education and appreciation in music and the arts including (but not restricted to) the provision of education programmes, classes and tuition to local musicians and artists; the recording and production of traditional and contemporary music and art for the public at large; and the provision of facilities for use by the public in furtherance of our main aims.

Achievements and performance

The Board of Trustees meets bimonthly to review progress in achieving the work of the charity. The focus during the period under review has been the continued investment in the charity's music and recording facility at Thropton, Northumberland, including installation of specialist fixtures and equipment.

The focus of our work

In the past year our focus has been on building and developing the company, with an increasing number of music events, and a focus on increasing the use of the recording studio. During the year marketing works were continued, including a website, open days and an increasing number of musical events for the general public to increase awareness of the charity's work.

How our activities deliver public benefit

The charity has been established to advance public education and appreciation in music and the arts including the provision of education programmes, classes and tuition to local musicians and artists; the recording and production of traditional and contemporary music and art for the public at large; and the provision of facilities for use by the public. The first step towards achieving our aims has been to establish a centre for our activities and this has been accomplished during the past few years.

Who used and benefitted from our services?

The building is currently open for concerts and hire for events and for recording via our trained sound engineers, to all members of the public who wish to use the facilities and is used from time to time by local schools and churches together in the area for occasional joint meetings/ services.

The Coquetdale Music Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Financial review

The charity remains grateful for the help and support given by grant funders and generous private donors. In the period under review the main sources of income were from private donations totalling £2,081 (2020:£2,276) including Gift Aid, grants received totalling £21,304(2020:£3,280), and the charity also generated income of £4,020(2020:£10,048) from hire of the charity's facilities, and from musical events. In future, the charity aims to continue to secure a more sustainable and broad base of income through a strategy of renting and charging for use of facilities, donations from charitable trusts and other donors, and fundraising events.

Investment Policy

The company holds no investments and as such has no investment policy.

Reserves Policy

The Directors aim to have a reserve of between three and six months' operating costs. This figure has been identified following consideration of the main financial risks to the company. Although the strategy is to continue to build reserves through planned operating surpluses and economies of scale wherever possible, the directors are aware that the current financial climate means that it is unlikely the target range can be reached for some time.

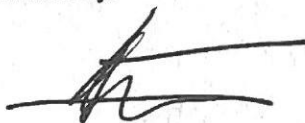
Risk Management

As part of the company's development, an assessment was undertaken as to the risks the organisation is exposed to. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of contractors, volunteers and clients. These procedures are periodically reviewed to ensure that they continue to meet the needs of the company.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 14 June 2021 and signed on behalf of the board of trustees by:



T G R Mathews
Trustee

The Coquetdale Music Trust

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The Coquetdale Music Trust

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of The Coquetdale Music Trust ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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



Michael W Reed
Independent Examiner

Russell House
Greenwell Road
Alnwick
Northumberland
NE66 1HB

14 June 2021

The Coquetdale Music Trust

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income and endowments					
Donations and legacies	6	2,081	—	2,081	2,276
Charitable activities	7	25,324	—	25,324	13,328
Total income		<u>27,405</u>	<u>—</u>	<u>27,405</u>	<u>15,604</u>
Expenditure					
Expenditure on charitable activities	8,9	10,511	—	10,511	128,500
Total expenditure		<u>10,511</u>	<u>—</u>	<u>10,511</u>	<u>128,500</u>
Net income/(expenditure) and net movement in funds		<u>16,894</u>	<u>—</u>	<u>16,894</u>	<u>(112,896)</u>
Reconciliation of funds					
Total funds brought forward		1,641	9,384	11,025	123,921
Total funds carried forward		<u>18,535</u>	<u>9,384</u>	<u>27,919</u>	<u>11,025</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 7 to 14 form part of these financial statements.

The Coquetdale Music Trust

Company Limited by Guarantee

Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	14	10,000	10,000
Current assets			
Debtors	15	2,017	2,023
Cash at bank and in hand		17,131	504
		19,148	2,527
Creditors: amounts falling due within one year	16	1,229	1,502
Net current assets		17,919	1,025
Total assets less current liabilities		27,919	11,025
Net assets		27,919	11,025
Funds of the charity			
Restricted funds		9,384	9,384
Unrestricted funds		18,535	1,641
Total charity funds	17	27,919	11,025

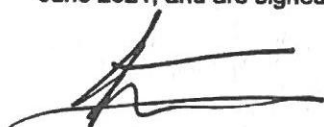
For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 14 June 2021, and are signed on behalf of the board by:



T G R Mathews
Trustee

The notes on pages 7 to 14 form part of these financial statements.

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. Lease of property

The charity operates from a leasehold property at The Former United Reform Church, Thropton, Northumberland.

The property is held on a 25 year lease which expires in 2039, at an annual rent of £4,000. Rent payments under the renegotiated lease commenced in 2019.

2. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Bingfield House, Bingfield, Newcastle Upon Tyne, NE19 2LE.

3. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

4. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Studio and equipment	-	Adjustment to fair value
Property improvements	-	Adjustment to fair value

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

5. Limited by guarantee

The Coquetdale Music Trust is a company limited by guarantee and accordingly does not have a share capital. Each company member undertakes to contribute an amount not exceeding £1 to the assets of the company in the event of the company being wound up.

6. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	2,081	2,081	2,276	2,276

7. Charitable activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Facility hire and events	4,020	4,020	10,048	10,048
Grants received	21,304	21,304	3,280	3,280
	<u>25,324</u>	<u>25,324</u>	<u>13,328</u>	<u>13,328</u>

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable activities	9,814	—	9,814
Support costs	697	—	697
	<u>10,511</u>	<u>—</u>	<u>10,511</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Charitable activities	125,397	2,443	127,840
Support costs	660	—	660
	<u>126,057</u>	<u>2,443</u>	<u>128,500</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2021 £	Total fund 2020 £
Charitable activities	9,814	—	9,814	127,840
Governance costs	—	697	697	660
	<u>9,814</u>	<u>697</u>	<u>10,511</u>	<u>128,500</u>

10. Net income/(expenditure)

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

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>—</u>	<u>112,700</u>

11. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>660</u>	<u>660</u>

12. Staff costs

No salaries or wages have been paid to employees during the year. There were no employees other than directors during the year

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

13. Trustee remuneration and expenses

No payments were made to trustees for services as a Trustee.

14. Tangible fixed assets

	Studio and equipment £	Property improvements £	Total £
Cost			
At 1 April 2020 and 31 March 2021	<u>31,950</u>	<u>117,742</u>	<u>149,692</u>
Depreciation			
At 1 April 2020 and 31 March 2021	<u>26,950</u>	<u>112,742</u>	<u>139,692</u>
Carrying amount			
At 31 March 2021	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>
At 31 March 2020	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>

15. Debtors

	2021 £	2020 £
Prepayments and accrued income	2,017	1,963
Other debtors (2020)	—	60
	<u>2,017</u>	<u>2,023</u>

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,229	1,232
Other creditors (2020)	—	270
	<u>1,229</u>	<u>1,502</u>

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

17. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020	Income £	Expenditure £	At 31 March 2021 £
General funds	<u>1,641</u>	<u>27,405</u>	<u>(10,511)</u>	<u>18,535</u>

	At 1 April 2019	Income £	Expenditure £	At 31 March 2020 £
General funds	<u>112,094</u>	<u>15,604</u>	<u>(126,057)</u>	<u>1,641</u>

Restricted funds

	At 1 April 2020	Income £	Expenditure £	At 31 March 2021 £
Restricted Fund	<u>9,384</u>	<u>—</u>	<u>—</u>	<u>9,384</u>

	At 1 April 2019	Income £	Expenditure £	At 31 March 2020 £
Restricted Fund	<u>11,827</u>	<u>—</u>	<u>(2,443)</u>	<u>9,384</u>

The restricted fund is a capital fund comprising previously received grants for capital expenditure. The associated capital expenditure is to be depreciated at 10% per annum.

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	616	9,384	10,000
Current assets	<u>17,919</u>	<u>—</u>	<u>17,919</u>
Net assets	<u>18,535</u>	<u>9,384</u>	<u>27,919</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	616	9,384	10,000
Current assets	<u>1,025</u>	<u>—</u>	<u>1,025</u>
Net assets	<u>1,641</u>	<u>9,384</u>	<u>11,025</u>

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

19. Other financial commitments

The charity operates from a leasehold property at The Former United Reform Church, Thropton, Northumberland.

The property is held on a 25 year lease which expires in 2039, at an annual rent of £4,000. Rent payments under the renegotiated lease began in 2019.

20. Related parties

The charity leases the Former United Reform Church, Thropton, Morpeth on a 25 year lease which commenced in the year ended 31 march 2014. The landlord is A J Bell (PP) Trustees Limited and Thomas George Roderick Matthews and Katherine Margaret Matthews as the Trustees of the Thomas George Roderick Matthews SIPP. Thomas George Roderick Matthews is also a Trustee of The Coquetdale Music Trust Limited. The lease was renegotiated during the period 1 July to 31 October 2019 . During that time Mr Mathews did not serve as a trustee of The Coquetdale Music Trust because of a conflict of interest.

Rent payments totalling £3,000(2020: £5,750) were made to the landlord during the year.

During the period being reported the charity received donations totalling £Nil(2020: £1,000) from Thomas George Roderick Matthews for the purpose of installing specialist fixtures and fittings for music performances and recording.

The Coquetdale Music Trust
Company Limited by Guarantee
Management Information
Year ended 31 March 2021

The following pages do not form part of the financial statements.

The Coquetdale Music Trust

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	2,081	2,276
	<u>2,081</u>	<u>2,276</u>
Charitable activities		
Facility hire and events	4,020	10,048
Grants received	21,304	3,280
	<u>25,324</u>	<u>13,328</u>
	<u>27,405</u>	<u>15,604</u>
Total income	<u>27,405</u>	<u>15,604</u>
Expenditure		
Expenditure on charitable activities		
Rent	3,000	5,750
Promotion and website	390	390
Heating and utilities	1,893	3,171
Repairs and maintenance	276	114
Insurance	1,854	1,849
Administration costs	2,058	2,014
Delivery of youth project (2020)	–	1,500
Legal and professional fees	697	660
Telephone	343	352
Depreciation (2020)	–	112,700
	<u>10,511</u>	<u>128,500</u>
	<u>10,511</u>	<u>128,500</u>
Total expenditure	<u>10,511</u>	<u>128,500</u>
	<u>16,894</u>	<u>(112,896)</u>
Net income/(expenditure)	<u>16,894</u>	<u>(112,896)</u>

The Coquetdale Music Trust

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
Expenditure on charitable activities		
Charitable activities		
<i>Activities undertaken directly</i>		
Rent	3,000	5,750
Promotion and website	390	390
Heating and utilities	1,893	3,171
Repairs & maintenance	276	114
Insurance	1,854	1,849
Administration costs	2,058	2,014
Delivery of youth project (2020)	—	1,500
Telephone	343	352
Depreciation (2020)	—	112,700
	<u>9,814</u>	<u>127,840</u>
Governance costs		
Accountancy fees	<u>697</u>	<u>660</u>
Expenditure on charitable activities	<u>10,511</u>	<u>128,500</u>
