

Charity registration number 1153716 (England and Wales)

**NOTTINGHAM MUSIC SERVICE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

NOTTINGHAM MUSIC SERVICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr N Cooke
Mrs L Lesquereux (Chair)
Mr M Henry
Mrs C Harrison
Mrs C Atkinson
Ms U Joshi
Ms W Smith

Senior Management Team

Mr I Burton, CEO
Mr M Aspinall, Business Operations and Strategy Manager

Charity number

1153716

Principal address

Labes House
4 Waterway Street West

NG2 1NL

Auditor

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

Bankers

CAF bank Ltd
25 Kings Hill avenue
Kings Hill
West Malling
Kent
ME19 4JQ

NOTTINGHAM MUSIC SERVICE

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NOTTINGHAM MUSIC SERVICE

CHAIR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2025

I took on the role of Chair of Nottingham Music Service in September 2024, following James Gibbons, who led the Board with commitment and care over several years. I'd like to thank James for his contribution and am pleased to share that he continues to support our work as Chair of the newly formed Nottingham City/Nottinghamshire Music Hub Consortium Board. Our Treasurer, David Wesker, also retired from the Board in September. It is thanks to his prudent financial management and planning that we remain a financially viable organisation. I extend my thanks and best wishes to him.

The formation of the consortium is a significant development in the evolution of Nottingham Music Service. It allows us to work more closely across both the city and county, sharing resources and events. We are already seeing benefits through joint planning, shared events, and a more coordinated approach to supporting schools and young people. It also gives us a stronger platform to respond to national changes in music education.

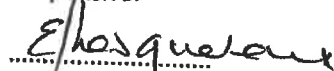
In December 2024, we moved into our new organisational base at Labes House. This is a really positive move, which has taken us over eight years to find the perfect base for our work. It has provided us with space for our staff and students, and we have been able to utilise some of our reserves to renovate the building, providing improved facilities for rehearsals, meetings, and events. It has helped us work more efficiently and created a central point for our activities—something that has been lacking since before lockdown. The building is now used daily for ensembles, rehearsals, and as our office space, and has quickly become an important part of our organisational identity.

Our staff have continued to deliver high-quality teaching and support across Nottingham City. Their work in schools, ensembles, and behind the scenes has helped us reach more pupils and maintain a strong programme of events. I want to thank them for their ongoing dedication and professionalism.

Whether learning in school, rehearsing in ensembles, or performing in public, the young people who use our services continue to engage with music and develop their skills. Their progress and enthusiasm are central to everything we do, and we remain focused on ensuring they have the support and opportunities they need.

We are aware of the financial pressures facing music education, schools, and families, and so are working to find new ways of delivering our services that are both effective and sustainable. The consortium gives us a stronger foundation to do this, and we will continue to explore new approaches.

Looking ahead to next year, we will continue to evolve our ensembles at Labes House and how we use the building, creating a consistent and accessible base for rehearsals, ensembles, and small groups. This will allow us to increase the sense of community among our young musicians. We will also continue to review our provision to meet the changing needs of pupils and schools, ensuring that our programmes remain inclusive, relevant, and responsive.



Liz Lesquereux

Chair of Trustees

Date: 5/12/25

NOTTINGHAM MUSIC SERVICE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Charitable Objects of the Charity, as taken from the constitution are to advance the education, accessibility and enjoyment of music and the arts for children and young people.

Nottingham City has a very tight inner-city boundary and is one of the most deprived areas in the country where residents have some of the lowest household disposable income in the UK according to the Office for National Statistics.

We believe that music makes a difference. As a registered charity and a partner for the Nottingham/Nottinghamshire Music Education Hub Consortium, we are committed to making music more accessible and inclusive. We support young people from across the city to develop their musical skills, and participate in diverse ensembles and performances, contributing to the life of our special city.

Strategies for achieving aims and objectives

Prior to 2002, music making in the city was very limited, with only 15% of the schools providing an opportunity to learn to play an instrument. Nottingham Music Service (NMS) started its work on principles of access, inclusion, quality, progression and civic engagement. Our strategies are designed to include children of all backgrounds, including those who do not have support for music making.

We provide whole class instrumental teaching, and in 2024/25 67% of city primary schools received a First Access programme (which includes Whole Class Ensemble teaching incorporating In Harmony principles, (see below) run or supported by NMS. This is slightly down on last year (72% in 2023/24) due to four schools no longer having the financial resources to buy in our services. We also provide progression routes so that young people can continue their music making outside of school and advance as musicians. Our Area Bands are beginner ensembles provided after school, while our Saturday Music School (working in partnership with the Nottingham Contemporary and Nottingham College) provides a clear progression route into one of our orchestras (RHYO Interconnect and our flagship Robin Hood Youth Orchestra).

Key programmes include:

1. Whole Class Ensemble Teaching (WCET) programme — a year of ensemble teaching in whole classes on a range of instruments;
2. Music Camps — two day residentials for post-WCET pupils to kick start their learning into year 5 and beyond;
3. Area Bands — a network of small Area Bands based in schools across the city, available for pupils to access immediately after their WCE year;
4. Nottingham Music School — operating on Saturday mornings providing ensemble; opportunities through the Robin Hood Youth Orchestra (RHYO) family of ensembles
5. Singing Strategy — a programme of singing incorporated into our repertoire, events and teaching;
6. Continual Professional Development (CPD) and events;
7. Exam strategy - Accredited by Music Teachers Board (MTB). Targeted online support sessions for large scale Grade 1 and Grade 2 entries across the city;
8. Events — an annual programme of events including Christmas in the City, Sing City, the Great Orchestra Experiment, Interconnect Tour, large scale Area Bands Concerts and an end of year RHYO tour including a large scale concert.

NOTTINGHAM MUSIC SERVICE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

In Harmony (IH) - Nottingham Music Service delivers one of only six In Harmony programmes across England. Inspired by the principles of Venezuela's inspirational El Sistema, In Harmony is a national programme that aims to inspire and transform the lives of children in deprived communities, using the power and disciplines of community-based orchestral music-making. In September 2024 we learnt that the In Harmony programme funding would be extended to March 31st 2026.

The IH funding allows us to enhance our provision with the principles of In Harmony. This includes training staff, offering an internship to an ex member of RHYO and increasing our after school provision.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

This has been a year of change for Nottingham Music Service.

In April 2024 we formed a city and county wide Music Hub consortium with Inspire Music, with them being the Hub Lead Organisation (HLO). We have recruited 12 members to the consortium board and held our first board meeting in June 2025 and have started to co-deliver services and events across the city and county.

In December 2024 we took the lease over for Labes House which is now the base for our office and all our ensembles and orchestras. This is fruition of an eight-year search for premises and a large step forward and for the organisation which helps to build a sense of identity and community for our young musicians and staff.

- In December 2024 we held four Christmas in the City concerts across in various venues (Nottingham Albert Hall, St Marys Church, Fisher Gate Point and Nottingham Contemporary). These events showcase all our orchestras, ensembles, bands and choirs. Over the four events we had 1241 audience members attend and a total of 779 students performing.
- In January 2025 we launched Musiquet which was an online, interactional musical quest based on gaming models involving young people listening closely to music, solving puzzles whilst inadvertently gaining deep aural experience of many of the major concepts of the model music curriculum. Over the time it ran we had over 400 completed challenges involving 74 classes in 24 schools.
- In February 2025 we successfully delivered our revised Sing City competition. This has proved to be one of our most successful events with nearly 40 entrants. The winners have had the opportunity to have a filmed interview and performance (Filmed by students from Nottingham College) and sing at events across the city.
- We have diversified our ensembles to include non-orchestral instruments focusing on guitars, drums, keyboard and voice. These have proved very popular.
- In June 2025 we delivered a large scale event working with the Transform Trust. This included 25 schools across Nottingham City, Nottinghamshire and Derby and culminated in a event attended by over 500 pupils. School teaching staff were also provided with resources to deliver CPD in their schools to ensure that learning continues after the event.
- In July 2024 our Robin Hood Youth Orchestra undertook a tour to Karlsruhe in Germany. This was part of our partnership with the Jungendorchester Stadt (JOK). Which means that every two years we visit Karlsruhe or JOK visit us. The tour involved 3 days in Black Forest playing at various events in the local area and then moving on to stay in Karlsruhe centre playing at a large civic concert, as a combined orchestra.

NOTTINGHAM MUSIC SERVICE

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Financial review

Overview

Despite continued financial pressures and funding uncertainties, Nottingham Music Service (NMS) has ended the financial year with a healthy surplus of £41,065, a notable improvement from the modest £500 surplus in the previous year. The trustees are satisfied that the organisation remains financially resilient, with adequate reserves and cash flow to meet its commitments, and continue to adopt the going concern basis in preparing the financial statements.

Income and Funding

- Total income increased by 2% (excluding one-off project funding), rising from £1,090,140 to £1,112,458. A welcome continuation of In Harmony funding to March 2026 was received, though late notification limits long-term planning. School income showed a modest 1% rise to £374,785, a positive result given the continued strain on school budgets. Ticket sales from student performances remained strong at £19,101 (2023/24: £19,158).
- We were successful in our application for Arts Council National Lottery Project Grants and secured £26,970 to fund a two year Great Little Orchestra Project, £13,485 during this financial year and next.

Expenditure

Total expenditure rose marginally by under 1% to £1,084,877 (2023/24: £1,076,712), despite:

- A £20,000 increase in employer National Insurance contributions.
- A 3% consortium administration fee reducing our core funding.

The board agreed a 3% pay rise for staff in September 2024.

Fundraising

Fundraising continues to be a strong area:

- Over £60,000 has been raised for the third consecutive year.
- Significant support received from a range of trusts, foundations, and individual donors, including:
- £10,000 annually from a private donor over three years.

Trusts & Foundations grants include:

£15,000 from BBC Children in Need (year two of a two-year grant) in support of the Robin Hood Youth Orchestra, £10,000 from Garfield Weston in support of Interconnect, £5,000 from German UK Connections in support of Karlsruhe residential, £4,000 from the Harrison-Frank Family Foundation, £3,500 from The Backstage Trust, £3,000 from D'Oyly Carte, £1500 from Browne Jacobson, £1,200 from the Wiggin Foundation and £1,000 from The Forman Hardy Charitable Trust and Groundwork UK (Tesco). These donations fund vital work in providing children the opportunity to engage with music outside of the classroom environment.

For the second year running we have run a successful Big Give Campaign resulting in Big Give Trust matching £1,000 of pledges.

NOTTINGHAM MUSIC SERVICE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Going concern

Despite uncertainty regarding the consortium arrangements and In Harmony funding beyond 2026, the trustees have approved a 2025/26 budget projecting a small surplus (£1,503). With robust reserves and a prudent approach to budgeting, the organisation is well placed to meet its obligations.

Principal Funding Sources

40% of annual income is derived from the DfE Music Education Hub grant via Arts Council England.

Other significant income streams include:

- In Harmony Grant: £150,000
- School buy-in teaching packages: £374,785
- Live performance income: £19,101
- Music School income and parent paid teaching £13,677
- Area band income £7,816

Conclusion

This has been a financially positive and strategically important year for Nottingham Music Service. Despite challenges from inflationary pressures and funding unpredictability, the organisation remains stable, has invested wisely in its future premises, and continues to be supported by schools, funders, and the wider community.

Reserves and Designated Funds

As of 31 March 2025:

- Free reserves: £405,930
- Restricted reserves: £114,797 (relating to instrument assets received from Nottingham City Council, 2013) & £1,208 ACE funding for Great Little Orchestra Project balance transferred to year 2 of the project.

Designated reserves:

- £200,000 contingency fund for wind-down liabilities.
- £218,789 Charity Base Fund (relating to new premises).
- £5,339 Development Fund.

Trustees review reserve levels quarterly and annually to ensure financial sustainability.

Premises and Capital Investment

- NMS secured a new permanent base, enhancing service delivery and operational efficiency.
- The building allows for more integrated ensemble work, greater event capacity, and reduced storage and office costs.
- Of the £300,000 designated for premises, £81,241 was spent and capitalised in this financial year towards making the venue fit for purpose. Total estimated refurbishment cost is £160,000.

Major risks and management of those risks

Risks Identified

The annual business plan draws attention to risks including financial, legal/governance, health and safety, quality and HR related. We are satisfied that appropriate financial systems and controls, and employment policies and practices are in place, but we continue to test and refine these processes during board meetings and in continual policy review.

As Trustees, we feel that the key risks facing the charity at this time are operational risks arising from the very stretched organisational capacity and the uncertainty around long term funding for music hubs. To address this we need to ensure that the organisation is best placed to meet these challenges through adapting and restructuring.

NOTTINGHAM MUSIC SERVICE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

- Tackling musical engagement at secondary level, which is not as strong as our engagement at primary level. While acknowledging this as a national issue with specific local problems (25% of city secondary schools have no music provision). We aim to become more respondent to the need of secondary schools by employing more hourly paid tutors who can deliver individual lessons to small groups or on a one to one basis. It is anticipated that this will form the basis of a new pathways where talented young people from disadvantaged backgrounds have the opportunity to continue pursuing music once they move from primary education.
- Developing new ensembles outside school to support young people at both primary and secondary levels
- Improving access to musical accreditation for city pupils through our work with the MTB exam Board.
- Enabling more young people to engage with the contemporary approach to musical training developed through the RHYO family (mix of genres, different learning styles from different cultures, student ownership, young leaders, involvement in a range of civic/community events, traditional and unique events);
- Building bridges between RHYO and more traditional ensembles and adult ensembles so that more city children can benefit from experiencing complementary approaches and experiences;
- To continually invigorate the existing WCET programme, strengthen the partnership with the music hub, develop staff skills in supporting children musically and enable children to access our unique musical progression framework which has been adapted to include recommendations of the new National Music Curriculum;
- Strengthening the links between music hub activities and the local music industry /community to provide suitable challenges and progression routes for young people with musical interests and skills in rock/pop areas by building on existing links.

We are keen to engage further with our partners to work together in tackling the genuine musical needs of city children, as we are aware that the current experience of many local arts organisations is primarily with more affluent young people from outside the city boundaries.

Structure, governance and management

The charity is operated under the rules of its constitution adopted 17 July 2013.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr J G Gibbons	(Resigned 31 October 2024)
Mr D Wesker	(Resigned 30 September 2024)
Mr D Mellen	(Resigned 30 September 2024)
Mr N Cooke	
Mrs R Jacobs	(Resigned 31 January 2025)
Mrs L Lesquereux (Chair)	
Mr M Henry	
Mrs C Harrison	
Mrs C Atkinson	
Ms U Joshi	
Ms W Smith	

Recruitment and appointment of trustees

There must be a minimum of three and maximum of 12 trustees with every trustee appointed for a term of three years. In selecting individuals, the trustees have regard to the skills, knowledge and experience needed for the effective governance of the CIO. Trustees visit charity events throughout the year and where appropriate, have attended training seminars and conferences on behalf of the organisation.

NOTTINGHAM MUSIC SERVICE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Organisational structure

Nottingham Music Service is a Charitable Incorporated Organisation. We, as the Board of Trustees, are responsible for the governance, strategic direction and policies of Nottingham Music Service. We currently have 6 members from a variety of different backgrounds, identified specifically for their individual experience and expertise. We usually meet quarterly, but have more frequent meetings when necessary, such as around the time of the establishment of the charity or the end of year.

We delegate day-to-day responsibility for the provision of Nottingham Music Service's activities to the Chief Executive Officer and the Business and Operations Manager who are responsible for ensuring that the charity delivers the services specified in the Business Plan and for operational management of the organisation.

Arrangements for setting key management personnel remuneration

The charity has two senior managers, who are: Chief Executive Officer and the Deputy CEO. The Chief Executive Officer is the only member of staff still seconded from Nottingham City Council (NCC) and as such his pay is set by NCC. The pay of the Deputy CEO has been set by a panel consisting of CEO, Finance Manager and Trustee (either Vice Chair or HR link trustee) and is in line with the wider cultural and charity sectors.

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.

The trustees' report was approved by the Board of Trustees.



Mrs L Lesquereux (Chair)
Trustee

Date: 5/12/25

NOTTINGHAM MUSIC SERVICE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NOTTINGHAM MUSIC SERVICE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NOTTINGHAM MUSIC SERVICE

Opinion

We have audited the financial statements of Nottingham Music Service (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

NOTTINGHAM MUSIC SERVICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF NOTTINGHAM MUSIC SERVICE

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with trustees and other management, and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting relevant correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

NOTTINGHAM MUSIC SERVICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF NOTTINGHAM MUSIC SERVICE

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

NOTTINGHAM MUSIC SERVICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF NOTTINGHAM MUSIC SERVICE



**Melvin Bailey FCCA DChA (Senior statutory auditor)
for and on behalf of Rogers Spencer**

16/12/25
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**Chartered Accountants
Statutory Auditor**

**Newstead House
Pelham Road
Nottingham
NG5 1AP**

Rogers Spencer is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NOTTINGHAM MUSIC SERVICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds	Restricted funds	Total	Unrestricted funds (as restated)	Restricted funds (as restated)	Total (as restated)
	Notes	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Income from:							
Donations and legacies	3	28,992	665,179	694,171	23,213	650,219	673,432
Charitable activities	4	431,771	-	431,771	420,873	-	420,873
Total income		<u>460,763</u>	<u>665,179</u>	<u>1,125,942</u>	<u>444,086</u>	<u>650,219</u>	<u>1,094,305</u>
Expenditure on:							
Raising funds	5	-	5,845	5,845	-	1,491	1,491
Charitable activities	6	391,570	687,771	1,079,341	414,970	678,374	1,093,344
Total expenditure		<u>391,570</u>	<u>693,616</u>	<u>1,085,186</u>	<u>414,970</u>	<u>679,865</u>	<u>1,094,835</u>
Net income/(expenditure) and movement in funds		69,193	(28,437)	40,756	29,116	(29,646)	(530)
Reconciliation of funds:							
Fund balances at 1 April 2024		<u>760,835</u>	<u>144,442</u>	<u>905,277</u>	<u>731,719</u>	<u>174,088</u>	<u>905,807</u>
Fund balances at 31 March 2025		<u>830,028</u>	<u>116,005</u>	<u>946,033</u>	<u>760,835</u>	<u>144,442</u>	<u>905,277</u>

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

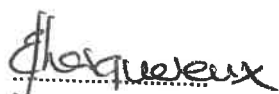
NOTTINGHAM MUSIC SERVICE

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	11		322,612		280,215
Current assets					
Debtors	12	55,273		65,448	
Cash at bank and in hand		762,658		836,964	
Creditors: amounts falling due within one year	13	817,931		902,412	
		(194,510)		(277,350)	
Net current assets			623,421		625,062
Total assets less current liabilities			946,033		905,277
The funds of the charity					
Restricted income funds	15	116,005		144,442	
Unrestricted funds	16	830,028		760,835	
		946,033		905,277	

The financial statements were approved by the trustees on 5/12/25


 Mrs L Lesquereux (Chair)
 Trustee

NOTTINGHAM MUSIC SERVICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	23		14,419		111,168
Investing activities					
Purchase of tangible fixed assets		(88,725)		(6,679)	
Net cash used in investing activities			(88,725)		(6,679)
Net (decrease)/increase in cash and cash equivalents			(74,306)		104,489
Cash and cash equivalents at beginning of year			836,964		732,475
Cash and cash equivalents at end of year			<u>762,658</u>		<u>836,964</u>

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity Information

Nottingham Music Service is a Charitable Incorporated Organisation in the United Kingdom. The address of the principal office is The Litehouse, Crocus Street, Nottingham, NG2 3DP

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, unless otherwise stated in the relevant accounting policy notes. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

Voluntary income – including donations, gifts, legacies and grants – that provides core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

1.5 Expenditure

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

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

1.6 Tangible fixed assets

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

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

Leasehold improvements	10% straight line (10 years)
Musical instruments	6.67% straight line (15 years)
IT equipment	33.33% straight line (3 years)

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Derecognition of financial liabilities

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

1.9 Employee benefits

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

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

1.10 Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

1.11 Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds and resources set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.12 Pensions and other post-retirement obligations

The Charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the Charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

A number of staff within the charity are seconded from Nottingham City Council. The council operates a defined benefit pension scheme. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation

2 Critical accounting estimates and judgements

In the application of the charity'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.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Grants	-	665,179	665,179	-	650,219	650,219
Gift aid	3,871	-	3,871	3,449	-	3,449
Donations	25,121	-	25,121	19,764	-	19,764
	<u>28,992</u>	<u>665,179</u>	<u>694,171</u>	<u>23,213</u>	<u>650,219</u>	<u>673,432</u>

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Music tuition - Primary	283,837	247,692
Music tuition - Secondary & Special	94,608	115,305
After school ensembles	-	13,862
Performances & events	44,520	31,760
Exams	3,496	3,741
Instrument hire	3,254	3,037
Speakers & score arrangement fees	-	2,360
Other income	2,056	3,116
	<u>431,771</u>	<u>420,873</u>

5 Expenditure on raising funds

	Restricted funds 2025 £	Restricted funds 2024 £
Fundraising and publicity		
Seeking donations, grants and legacies	5,845	1,491
	<u>5,845</u>	<u>1,491</u>

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Charitable activities

	2025 £	2024 £
Staff costs		
Depreciation and impairment	776,810	818,069
Accreditation	46,328	48,244
Bank charges	5,561	5,522
CPD and quality assurance	597	870
Equipment	4,252	4,016
Events	2,382	3,217
Instrument replacement and repairs	84,561	79,867
Insurance	8,091	8,765
IT upgrade	9,492	9,772
Legal & professional fees	7,946	8,555
Materials	19,750	19,831
Ongoing travel	3,188	2,816
Partnership costs	33	126
Postage & carriage	13,317	1,800
Repairs & renewals	765	836
Recruitment	2,995	840
Rent office & storage	400	2,150
Safeguarding	41,248	37,908
Telephone & office costs	1,055	2,094
Subscriptions & publications	6,531	5,935
Sundry costs	2,824	3,378
Venue hire (music school)	299	1,205
	40,916	27,528
	<u>1,079,341</u>	<u>1,093,344</u>

Analysis by fund

	(as restated)	
Unrestricted funds	391,570	414,970
Restricted funds	687,771	678,374
	<u>1,079,341</u>	<u>1,093,344</u>

7 Net movement in funds

The net movement in funds is stated after charging/(crediting):

	2025 £	2024 £
Depreciation of owned tangible fixed assets	<u>46,328</u>	<u>48,244</u>

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Trustees

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

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	30	32
	<u> </u>	<u> </u>
Employment costs		
	2025 £	2024 £
Wages and salaries	702,818	713,961
Social security costs	40,867	55,408
Other pension costs	32,522	46,754
	<u>776,207</u>	<u>816,123</u>

Redundancy and termination payments totalling £nil (2024 - £18,539) were made in the reporting period.

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

2025 £	2024 £
<u>89,003</u>	<u>157,788</u>

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Tangible fixed assets

	Leasehold improvements	Musical instruments	IT equipment	Total
	£	£	£	£
Cost				
At 1 April 2024	-	626,606	64,286	690,892
Additions	80,931	793	7,001	88,725
At 31 March 2025	80,931	627,399	71,287	779,617
Depreciation and impairment				
At 1 April 2024	-	350,492	60,185	410,677
Depreciation charged in the year	-	41,827	4,501	46,328
At 31 March 2025	-	392,319	64,686	457,005
Carrying amount				
At 31 March 2025	80,931	235,080	6,601	322,612
At 31 March 2024	-	276,114	4,101	280,215

12 Debtors

Amounts falling due within one year:	2025 £	2024 £
Trade debtors	7,820	29,689
Other debtors	17,796	3,010
Prepayments and accrued income	29,657	32,749
	55,273	65,448

13 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		9,971	11,669
Deferred income	14	125,958	164,696
Trade creditors		32,061	54,289
Other creditors		5,259	4,766
Accruals		21,261	41,930
		194,510	277,350

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

14 Deferred Income

	2025 £	2024 £
Other deferred income	125,958	164,696

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	125,958	164,696
Movements in the year:		
Deferred income at 1 April 2024	164,696	117,762
Released from previous periods	(164,696)	(117,762)
Resources deferred in the year	125,958	164,696
Deferred income at 31 March 2025	125,958	164,696

Deferred Income represents income received during the current year for service agreements that run into future years.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2025**

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 April 2023 £	Movement in funds (as restated) (as restated)		Balance at 1 April 2024 £	Movement in funds		Balance at 31 March 2025 £
		Incoming resources	Resources expended		Incoming resources	Resources expended	
NCC Asset Transfer	174,088	-	(29,645)	144,442	-	(29,645)	114,797
Music Hub (General)	-	91,988	(91,988)	-	90,643	(90,643)	-
Music Hub (Core + Extension)	-	367,953	(367,953)	-	362,571	(362,571)	-
In Harmony	-	75,000	(75,000)	-	-	-	-
Funded	-	75,000	(75,000)	-	-	-	-
Arts Council In Harmony	-	-	-	-	150,000	(150,000)	-
Arts Council GLOP	-	-	-	-	13,484	(12,276)	1,208
Children in Need	-	15,000	(15,000)	-	15,000	(15,000)	-
Garfield Weston	-	-	-	-	10,000	(10,000)	-
Other restricted income <£5,000	-	25,278	(25,278)	-	23,481	(23,481)	-
	174,088	650,219	(679,864)	144,442	665,179	(693,616)	116,005

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

15 Restricted funds

(Continued)

NCC Asset Transfer Fund

The fund comprises of assets transferred from Nottingham City Council to the new charity in April 2014.

Music Hub Funding

The fund represents grants from Arts Council England to support the programme of activity, as detailed in the national plan for music education.

Arts Council England - In Harmony Transition

The In Harmony programme was co funded by Arts Council England and DfE until July 2022 & Arts Council England to August 2023 - funding restricted to salary & direct costs to deliver a programme aimed to inspire and transform the lives of children in communities with lower access to publicly funded culture - through ensemble music making. The funding was due to end in August 2023 and Arts Council England committed to funding a further 12 months in Harmony activity.

Arts Council England – Great Little Orchestra Project (GLOP)

This project, funded by Arts Council England, brings together young musicians in East Midlands Music Hub ensembles with pupils in special education schools. It breaks down barriers between disabled and non-disabled young people. It will run over twenty four months and include two 5-day residential experiences for dedicated young musicians, performances and workshops in Nottinghamshire specialist schools.

Children in Need

This funding is for the Robin Hood Youth Orchestra to enable children and young people from less affluent backgrounds to participate in music education. The intended outcome is for children and young people from different backgrounds to make music together in a diverse and inclusive environment.

Garfield Weston

Provides funds to support RHYO Interconnect, the training orchestra providing a bridge ensemble between beginner bands and the Robin Hood Youth Orchestra. It is designed for 9 to 14 year olds who can play around Grade 1+ standard and the programme provides high quality teaching from specialist staff, wide performance opportunities including digital recordings for release on social media, and a safe space for young people to meet and make music with pupils from across the city.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Designated - Development fund	5,339	-	-	-	5,339
Designated - Charity Base fund	300,000	-	-	(81,241)	218,759
Designated - Contingency fund	200,000	-	-	-	200,000
General funds	255,496	460,763	(391,570)	81,241	405,930
	<u>760,835</u>	<u>460,763</u>	<u>(391,570)</u>	<u>-</u>	<u>830,028</u>
Previous year:	At 1 April 2023 £	Incoming resources £ (as restated)	Resources expended £ (as restated)	Transfers £	At 31 March 2024 £
Designated - Development fund	23,461	-	(18,122)	-	5,339
Designated - Charity Base fund	300,000	-	-	-	300,000
Designated - Contingency fund	200,000	-	-	-	200,000
General funds	208,258	444,086	(396,848)	-	255,496
	<u>731,719</u>	<u>444,086</u>	<u>(414,970)</u>	<u>-</u>	<u>760,835</u>

Designated funds:

Development fund

This is to build further on the Arts Council Catalyst Evolve programme to enable the organization to diversify our income sources. Specifically funding the post of Communications & Fundraising Coordinator.

Charity Base fund

During the financial year ended 31st March 2025 the Charity secured a long term home at Labes house, there was a schedule of refurbishment to carry out and at the balance at the end of the year represents the expenditure to complete that refurbishment in August 2025. As expenditure is incurred this is transferred to general funds.

Contingency fund

The fund is to cover and safeguard the future of the charity and/or to be able to settle any liabilities in the event of its closure.

General funds:

Arts Council England and DfE funding, restricted to 20% contribution for the non- direct delivery costs and restricted donations.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2025**

17 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total Unrestricted funds	Designated funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Fund balances at 31 March 2025 are represented by:							
Tangible assets	207,815	-	114,797	322,612	135,774	144,441	280,215
Current assets/(liabilities)	198,115	424,098	1,208	623,421	119,724	-	625,062
	<u>405,930</u>	<u>424,098</u>	<u>116,005</u>	<u>946,033</u>	<u>255,498</u>	<u>144,441</u>	<u>905,277</u>

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Prior year adjustment

The prior year restricted funds movements have been restated to correctly show the expenditure allocated to restricted funds. The funds received in the previous financial year within Music Hub (General), Music Hub (Core + Extension) and Arts Council In Harmony were fully allocated to relevant expenditure in that year. These operations were then funded from unrestricted funds and so no transfers between funds were required. See notes 15 and 16. There has been no impact on the closing restricted funds balances, the deficit or net assets.

19 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	68,000	20,743
Between two and five years	274,455	-
	<u>342,455</u>	<u>20,743</u>

20 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2025 £	2024 £
Acquisition of property, plant and equipment	<u>20,002</u>	<u>-</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

22 Analysis of changes in net funds

The charity had no material debt during the year.

NOTTINGHAM MUSIC SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Cash generated from operations	2025	2024
	£	£
Surplus/(deficit) for the year	40,756	(530)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	46,328	48,244
Movements in working capital:		
Decrease/(increase) in debtors	10,175	(6,319)
(Decrease)/increase in creditors	(44,102)	22,839
(Decrease)/increase in deferred income	(38,738)	46,934
Cash generated from operations	<u>14,419</u>	<u>111,168</u>