Calderdale Music Limited

England & Wales · Charity number 1154343

Details

Other names	CALDERDALE MUSIC TRUST LIMITED, Calderdale Music
Status	Registered
Legal form	Charitable company
Company number	08597862
Registered	2013-10-25
Register	View on the Charity Commission register

Contact

Address	The Old Courthouse Blackwall Halifax West Yorkshire HX1 2DL
Phone	01422303060
Email	admin@calderdalemusic.co.uk
Website	www.calderdalemusic.co.uk

Activities

Objects: TO ADVANCE IN LIFE YOUNG PEOPLE THROUGH THE PROVISION OF MUSIC SERVICES, EDUCATION AND ACTIVITIES IN THE INTERESTS OF SOCIAL WELFARE AND THE ADVANCEMENT OF EDUCATION OF THOSE YOUNG PEOPLE.

Activities: Music tuition to the general public and senior citizens orchestra.

Classification

- **How:** Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People

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Geography

- **Area of benefit:** CALDERDALE
- Calderdale

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£979,424	£1,048,596	£296,314	26
2024-08-31	£1,121,553	£1,429,740	£365,486	29
2023-03-31	£769,638	£887,245	£673,673	23
2022-03-31	£644,322	£695,209	£791,280	16
2021-03-31	£370,459	£356,308	-	-
2020-07-31	£586,326	£595,975	£828,017	8

Trustees

Name	Role	Appointed
Peter Reynoldson	Chair	2016-04-22
Brian McCartan		2025-06-18
David John Heywood		2020-06-09
Julia Marie Brook		2021-09-12
Lesley Hodgson		2025-06-18
Mark Sharp		2022-07-06
Peter David Clough		2025-06-16
Rezina Kelly		2019-11-20
Sean Robert Montgomery		2023-11-19
Stephen Wild		2017-04-18

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Calderdale Music Limited

England & Wales - Charity number 1154343

Accounts

Calderdale Music

CALDERDALE MUSIC

LIMITED

Company Limited by Guarantee

UNAUDITED FINANCIAL STATEMENTS

31 AUGUST 2025

Company Registration Number 08597862

Charity Number 1154343

Streets.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2025

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CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 31 AUGUST 2025

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 August 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Calderdale Music Limited	
Charity registration number	1154343	
Company registration number	08597862	
Principal office and registered office	The Old Courthouse Blackwall Halifax West Yorkshire HX1 2DL	
The Trustees	C Wightman	(Retired 10 June 2025)
	S Wild	
	P Reynoldson	
	A J Sapey	(Retired 10 October 2025)
	K Rezina	
	M Sharp	
	S R Montgomery	
	P Clough	(Appointed 18 June 2025)
	L Hodgson	(Appointed 18 June 2025)
	B McCartan	(Appointed 18 June 2025)
	D McDermott	(Appointed 18 June 2025)
	C Thirkell	(Appointed 18 June 2025)
Key Management Personnel	D J Heywood J Brook	
Independent examiner	E A Short Equitable House 55 Pellon Lane Halifax West Yorkshire	
Bank	Lloyds Bank Commercial Street Halifax West Yorkshire HX1 1BB	
	Virgin Bank 94-96 Briggate Leeds West Yorkshire LS1 6NP	

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 July 2013 and registered as a charity on 25 October 2013. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under the Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Board of Trustees are responsible for the overall strategy of the company. The Board meets termly and is chaired Peter Reynoldson. The Calderdale Music Ltd Principal is responsible for the day to day management.

Calderdale Music Ltd is committed to ensuring that we pay our staff and self-employed tutors fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The appropriateness of staff remuneration is reviewed annually, including reference to comparisons with similar organisations ensuring Calderdale Music remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

Recruitment and appointment of trustees

All the Company Directors are also Trustees of the Charity. The Principal of the Calderdale is also a Company Director and Charity Trustee. The trustees may appoint one or more sub-committees to carry out any duty which in the opinion of the trustees would be more conveniently undertaken by a sub-committee, who would then in turn report to the trustees.

Trustees are recruited by the Board to always ensure that the Board has expertise across all areas of the interest of Calderdale Music Ltd. A skills audit will be completed when necessary to highlight the areas of expertise that may need strengthening. The recommended processes from the Arts Council will be followed. The development of the Board is crucial to Calderdale Music Ltd's future sustainability and essential for ensuring it is fit for purpose. The Board is also sourcing expertise.

Trustee induction and training

On appointment a trustee is given an information pack that includes the Memorandum and Articles of Association and the latest accounts. Training needs are assessed and met as required. At the first trustees meeting after the Annual General Meeting, all trustees are reminded of their responsibilities and new trustees provided with a copy of CC3: Responsibilities of the Charity Trustees. The trustees discuss and update the company's future plans and objectives document.

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed, a risk register is maintained identifying financial, regulatory, business and operational risks and where appropriate, systems or procedures have been established to mitigate the risks the charity faces and additional policies put in place where required.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have considered the risks facing Calderdale Music Ltd and believe the main risk is ensuring there is continuing funding from the Arts Council. Plans are being made to mitigate against any potential reduction in funding from central government.

The Trustees regard the health and safety of children as being of paramount importance and ensure staff are vetted by the Disclosure and Barring Service.

OBJECTIVES AND ACTIVITIES

Calderdale Music Ltd aims to promote and support the highest quality music education for all. The company exists for the advancement of public education in all aspects of music in the Borough of Calderdale. In practice Calderdale Music Ltd provides the delivery of the Local Authority's music service. Calderdale Music Ltd aims to provide a safe and encouraging environment where young people are nurtured and their achievements celebrated.

Calderdale Music Education Hub funding is spent in accordance with Arts Council England guidelines and will support the following priorities from 'The Power of Music to Change Lives: A National Plan for Music Education.'

The 3 aims are to:

- support schools and other education settings to deliver high-quality music education, - support young people to develop their interests and talent further, including into employment - support all children and young people to engage with a range of musical opportunities in and out of school. The 5 Strategic Functions are:
- Partnerships
- Schools
- Progression and Musical Development
- Inclusion
- Sustainability

ACHIEVEMENTS AND PERFORMANCE

During the year, Calderdale Music Ltd continued to deliver high-quality and inclusive music education for children and young people across Calderdale. The organisation remained focused on its strategic objectives to:

- support and develop staff to deliver excellent music education;
- provide inclusive and high-quality musical experiences; and
- expand opportunities in Music Technology across curriculum and enrichment settings.

Vision, Mission and Values

Calderdale Music Ltd's vision is *"to open life-long music and arts opportunities to all, providing a cultural heart for Calderdale that unites, motivates and inspires people to live more creative lives."* Its mission is to collaborate with schools, partners outstanding teaching, specialist music and arts education, and a broad range of performance opportunities. The organisation continues to embed its

core values of Honesty, Expertise, Achievement, Reliability and Together throughout its operations, communities and individuals to deliver.

Facilities and Operations

The organisation operates from The Old Courthouse, which provides high-quality accommodation including office space, 1:1 and small-group teaching rooms, ensemble rehearsal rooms, a Board Room and a performance space. The Rhythm & Brews coffee shop ceased trading during the year; however, a bean-to-cup coffee machine and seating area remain available for parents and visitors.

Service Delivery

Calderdale Music Ltd delivered Whole Class Ensemble Tuition (WCET) and curriculum music teaching in 38 schools during the year, equating to 117 WCET classes per week. While the number of schools engaged remained consistent with the prior year, the total number of classes delivered reduced slightly due to financial pressures within schools.

A total of 578 pupils received 1:1 and small-group tuition, compared with 624 in 2023/24. The Directors note that the challenging financial climate for both schools and families continues to be the primary barrier to increasing participation in this area.

West Yorkshire Music Hub

2024/25 marked the first full year of the newly established West Yorkshire Music Hub, a consortium of the five West Yorkshire local authority areas. Bradford Music and Arts Service acts as the Hub Lead Organisation. Calderdale Music Ltd holds the strategic lead for Inclusion, ensuring equitable access to music education across the region in line with Arts Council England's requirements.

Workforce and Recruitment

Recruitment challenges continue to affect Music Hubs nationally, and Calderdale Music Ltd has experienced sustained demand that exceeds current staffing capacity. Several high-quality Music Leaders were appointed during the year; however, recruitment and retention remain strategic priorities. The organisation also engaged a small number of freelance tutors to support 1:1, small-group and ensemble provision.

Staff Development

A comprehensive programme of Continuing Professional Development (CPD) was delivered for Music Leaders, informed by School Music Development Plans and school-identified needs. Additional CPD sessions were provided through School Centred Initial Teacher Training (SCITT) programmes, supporting the development of future educators.

Performance and Enrichment Activities

The organisation delivered a wide range of performance and enrichment opportunities during the year, including:

- termly concerts for pupils receiving 1:1 and small-group tuition;
- West Yorkshire-wide wind and brass band rehearsals and performances;
- music video projects; and
- the third Voices Together event at the Victoria Theatre, involving more than 1,200 pupils across three evenings.

Calderdale Music Ltd also continued its partnership with The Piece Hall, providing high-profile work experience opportunities as part of the venue's summer festival series from June to August 2025.

FINANCIAL REVIEW

During the period unrestricted expenditure exceeded income by £67,965 (2024 - £234,122) income exceeded expenditure). However, £31,695 has been transferred to restricted funds which was in deficit by £1,207. The total funds of the Charity have decreased from £365,486 to £296,314. Free reserves at 31 August 2025, after accounting for restricted funds and reserves represented by fixed assets were £8,380 shortfall (2024 - £8,230). Restricted funds includes a restricted fixed asset fund which includes musical instruments, fixture and fittings and computer equipment transferred to Calderdale Music Limited from Calderdale MBC in 2015, and £60,135 from the Bradford MDC Capital Grant in 2025, less depreciation charges.

Reserves at the end of the year were £296,314 which are to be used to finance additional projects, trading in the ensuing year and as backup reserve.

Principal funding sources
The main sources of funding are from Service Level Agreements with the Arts Council and pupil tuition. Arts Council currently represents 40% of total income. Pupils tuition accounts for 54% of the total income and a further 6% of total income is obtained from other income sources.

Investment policy

Aside from retaining a prudent amount in reserves each year most of the Charity's funds are to be spent in the short term so there are few funds available for long term investment. Having considered the options available, the Calderdale Music Ltd Directors has decided to invest amount available in a short term interest bearing account.

Reserves policy

The Directors have examined the charity's requirements for reserves in light of the main risks to the organisation and have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be in the region of between six and nine months expenditure, in view of current economic difficulties, which amounts to approximately £786,000. Unrestricted funds are £207,119 including fixed assets of £215,499 leaving free reserves shortfall of £8,380. Restricted funds amount to £89,195, which is all in relation to restricted fixed assets. Reserves are lower than the current policy and the trustees are looking to increase reserves to the required level in the ensuing year.

The Trustees are also conscious that they need to look to the long-term future of Calderdale Music Ltd in terms of the provision of service and to enable them to respond to changes within the DfE.

PLANS FOR FUTURE PERIODS

Calderdale Music will continue to embed its new strategic objectives, which are to:

- support and develop staff to deliver high-quality music education;
- provide inclusive, enriching, and high-quality musical experiences; and
- expand opportunities in Music Technology across both curriculum and enrichment settings.

The organisation will further strengthen its engagement with schools, ensuring that clear and accessible progression pathways are available to all students, including curriculum tuition, one-to-one and small-group provision. Calderdale Music will also implement its Music Technology Strategy across its programmes, supported by partnerships with The Piece Hall and Roland, and by introducing innovative curriculum opportunities within schools.

There remains a degree of uncertainty regarding the establishment of the new National Centre for Arts and Music Education, which will ultimately become the fund holder and accountable body for all Music Hubs. The tendering process for the National Centre is currently open, with operations expected to commence from September 2026. Arts Council England will continue to oversee Music Hubs until August 2027.

In September 2026, Calderdale Music will relocate from The Old Courthouse to new accommodation. This move has been strategically planned to safeguard the organisation's long-term sustainability and to ensure that the new objectives are fully supported and appropriately resourced. The relocation also reflects the wider structural changes arising from the creation of the West Yorkshire Music Hub and the associated reduction in funding to Calderdale Music.

TRUSTEES' RESPONSIBILITIES

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

The trustees' annual report and the strategic report were approved on 4 March 2026 and signed on behalf of the board of trustees by:

D J Heywood

D J HEYWOOD
Trustee

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CALDERDALE MUSIC LIMITED

YEAR ENDED 31 AUGUST 2025

I report to the trustees on my examination of the financial statements of Calderdale Music Limited ('the charity') for the year ended 31 August 2025.

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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

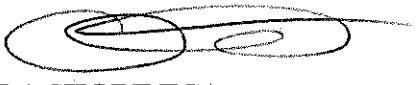
1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

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.



E A SHORT FCA
Independent Examiner

4 March 2026

Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 AUGUST 2025

	Note	Year to 31 Aug 25 Unrestricted funds £	Restricted funds £	**Total funds £**	Period from 1 Apr 23 to 31 Aug 24 Total funds £
Income and endowments					
Donations and legacies	**5**	–	388,544	**388,544**	488,492
Charitable activities	**6**	594,652	–	**594,652**	632,125
Other income	**7**	(4,359)	587	**(3,772)**	936
Total income		590,293	389,131	**979,424**	1,121,553
Expenditure					
Expenditure on charitable activities	**8,9**	658,258	390,338	**1,048,596**	1,429,740
Total expenditure		658,258	390,338	**1,048,596**	1,429,740
Net expenditure		(67,965)	(1,207)	**(69,172)**	(308,187)
Transfers between funds		(31,695)	31,695	–	–
Net movement in funds		(99,660)	30,488	**(69,172)**	(308,187)
Reconciliation of funds					
Total funds brought forward		306,779	58,707	**365,486**	673,673
Total funds carried forward		207,119	89,195	**296,314**	365,486

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 12 to 24 form part of these financial statements.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 AUGUST 2025

	Note	2025 £	2025 £	2024 £	2024 £
FIXED ASSETS					
Tangible fixed assets	15		**304,694**		357,256
CURRENT ASSETS					
Debtors	16	**81,715**		91,704	
Cash at bank and in hand		**152,176**		154,037	
		233,891		245,741	
CREDITORS: amounts falling due within one year	17	**242,271**		237,511	
NET CURRENT ASSETS			**(8,380)**		8,230
TOTAL ASSETS LESS CURRENT LIABILITIES			**296,314**		365,486
NET ASSETS			**296,314**		365,486
FUNDS OF THE CHARITY					
Restricted funds			**89,195**		58,707
Unrestricted funds			**207,119**		306,779
Total charity funds	20		**296,314**		365,486

For the year ending 31 August 2025 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 4 March 2026 and are signed on behalf of the board by:

D J Heywood

D J HEYWOOD
Trustee

The notes on pages 12 to Error! Bookmark not defined. **form part of these financial statements.**

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

YEAR ENDED 31 AUGUST 2025

	2025	2024
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net expenditure	**(69,172)**	(308,187)
Adjustments for:		
Depreciation of tangible fixed assets	**105,765**	154,826
Accrued expenses	**3,227**	491
Changes in:		
Trade and other debtors	**9,989**	(57,599)
Trade and other creditors	**1,533**	192,576
Cash generated from operations	**51,342**	(17,893)
Net cash from/(used in) operating activities	**51,342**	(17,893)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	**(60,135)**	(59,770)
Proceeds from sale of tangible assets	**6,931**	9,659
Net cash used in investing activities	**(53,204)**	(50,111)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(1,862)**	(68,004)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**154,037**	222,041
CASH AND CASH EQUIVALENTS AT END OF YEAR	**152,176**	154,037

The notes on pages 12 to Error! Bookmark not defined. **form part of these financial statements.**

1. 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 The Old Courthouse, Blackwall, Halifax, West Yorkshire, HX1 2DL.

2. 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.

3. 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 measured at fair value through income or expenditure.

Going concern

From the review of forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to confine in operational existence for the foreseeable future. The Trustees has therefore continued to adopt the going concern basis in preparing the financial statements.

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.

There are not considered to be any judgments or accounting estimates or assumptions that have a significant impact on the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose.

3. ACCOUNTING POLICIES *(continued)*

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.

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.

3. ACCOUNTING POLICIES *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

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:

Lease hold building	-	10 years
Fixtures, fittings and equipment	-	25% reducing balance
Musical instruments	-	15 years
Computer equipment	-	25% straight line

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.

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Financial instruments

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

3. ACCOUNTING POLICIES *(continued)*

Defined contribution plans

Retirement benefits to directors of the Calderdale Music Ltd are provided by the Teachers' Pension Scheme (TPS).

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charity 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 quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Charity 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 recognised as they are paid each year.

4. LIMITED BY GUARANTEE

The company does not have a share capital being a company limited by guarantee. Individual trustee's liability is limited to a maximum of £1.

5. DONATIONS AND LEGACIES

	Restricted Funds £	**Total Funds 2025 £**	Restricted Funds £	Total Funds 2024 £
GRANTS				
Grants receivable	388,544	**388,544**	488,492	488,492

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
School teaching income	206,729	**206,729**	220,717	220,717
Pupil Tuition	297,565	**297,565**	337,072	337,072
Event income	14,409	**14,409**	20,953	20,953
Other income	29,280	**29,280**	4,183	4,183
Rock School & Virtual School	5,676	**5,676**	3,302	3,302
Room hire	40,993	**40,993**	45,898	45,898
	594,652	**594,652**	632,125	632,125

7. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Gain on disposal of tangible fixed assets held for charity's own use	(4,359)	587	**(3,772)**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Gain on disposal of tangible fixed assets held for charity's own use	(713)	1,649	936

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Pupil tuition	231,181	127,015	**358,196**
Music centres	65,959	36,240	**102,199**
School teaching	160,607	88,242	**248,849**
Support costs	200,513	138,841	**339,353**
	658,260	390,338	**1,048,597**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Pupil tuition	236,370	146,849	383,219
Music centres	52,128	32,387	84,515
School teaching	262,733	163,229	425,962
Support costs	314,303	221,741	536,044
	865,534	564,206	1,429,740

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	**Total funds 2025**	Total fund 2024
	£	£	**£**	£
Pupil tuition	358,196	166,710	**524,906**	600,904
Music centres	102,199	47,564	**149,763**	135,591
School teaching	248,849	115,818	**364,667**	683,402
Governance costs	–	9,261	**9,261**	9,843
	709,244	339,353	**1,048,597**	1,429,740

10. ANALYSIS OF SUPPORT COSTS

Support costs attributable to more than one activity are allocated in proportion to staff time spent on the activities. The proportions are 35% teaching for schools (2024 - 48%), 7% music centre (2024 - 9%) and 51% pupils (2024 - 43%).

	Pupil tuition	Music centres	School teaching	**Total 2025**	Total 2024
	£	£	£	**£**	£
Staff costs	35,590	10,155	24,726	**70,471**	129,607
Premises	54,141	15,448	37,614	**107,203**	158,853
Communications and IT	848	242	589	**1,679**	2,305
General office	53,415	15,240	37,109	**105,764**	154,826
Human resources	767	219	533	**1,519**	9,048
Finance costs	333	95	231	**659**	1,799
Governance costs	4,678	1,335	3,250	**9,263**	9,844
Insurance	4,603	1,313	3,198	**9,114**	19,960
Travelling	1,413	403	982	**2,798**	5,473
Bad debts	–	–	–	**–**	243
Postage and stationery	412	118	286	**816**	2,589
Advertising	–	–	–	**–**	568
Computer and software	4,478	1,278	3,111	**8,867**	7,765
Miscellaneous expenses	991	282	688	**1,961**	3,355
Training costs	–	–	–	**–**	2,870
Subscriptions	8,984	2,563	6,241	**17,788**	23,397
Repairs and renewals	734	209	510	**1,453**	3,542
	171,387	48,900	119,068	**339,355**	536,044

11. NET EXPENDITURE

Net expenditure is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	**105,765**	154,826
Gains on disposal of tangible fixed assets	**3,772**	(936)
Operating lease rentals	**7,163**	3,895

12. INDEPENDENT EXAMINATION FEES

	Year to 31 Aug 25	Period from 1 Apr 23 to 31 Aug 24
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	**5,250**	4,235
Other financial services	**2,708**	3,810
	7,958	8,045

13. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Year to 31 Aug 25	Period from 1 Apr 23 to 31 Aug 24
	£	£
Wages and salaries	**627,080**	878,397
Social security costs	**52,102**	62,261
Employer contributions to pension plans	**60,915**	69,569
Bought in tutors	**21,921**	500
	762,018	1,010,727

The average head count of employees during the year was 26 (2024: 29). The average number of full-time equivalent employees during the year is analysed as follows:

	2025	2024
	No.	No.
Management and administration	**6**	6
Music leaders	**13**	13
	19	19

13. STAFF COSTS *(continued)*

The number of employees whose remuneration for the year fell within the following bands, were:

	2025	2024
	No.	No.
£60,000 to £69,999	**1**	–
£70,000 to £79,999	**1**	–
£90,000 to £99,999	**–**	1
£110,000 to £119,999	**–**	1
	2	2

Key Management Personnel

Key Management Personnel

The key management personnel of the Charity comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Charity was £170,238 (2024: £204,284 for a 17 month period).

14. TRUSTEE REMUNERATION AND EXPENSES

Under the provisions of the Governing document, Mr D Heywood (trustee) is employed by the charity to teach music to young persons in accordance with the objectives of the Charity and has been paid a salary of £70,078 (2024 - £88,512 for a 17 months period) respectively, in respect of those services.

Mrs J Brook is employed as a Business and Enterprise Manager and was paid £60,815 (2024 - £75,983 for a 17 month period).

Pension contributions were also paid of £21,102 (2024 - £22,263 for a 17 month period) for Mr Heywood and £18,243 (2024 - £17,526 for a 17 month period) for Mrs J Brook.

These trustees only receive remuneration in respect of services they provide undertaking the roles of teaching and business management, not in respect of their services as a trustee.

Other trustees did not receive any payments from Calderdale Music Ltd in respect of their role as trustees.

No expenses were paid to the trustees during the period. (2024 - £Nil for a 17 month period).

15. TANGIBLE FIXED ASSETS

	Short leasehold improvements £	Fixtures and fittings £	Musical instruments £	Computers £	**Total £**
Cost					
At 1 September 2024	78,720	369,170	264,997	85,659	**798,546**
Additions	–	–	60,135	–	**60,135**
Disposals	–	(8,635)	(6,436)	–	**(15,071)**
At 31 August 2025	78,720	360,535	318,696	85,659	**843,610**
Depreciation					
At 1 September 2024	26,897	193,706	147,638	73,049	**441,290**
Charge for the year	7,872	43,866	42,179	11,848	**105,765**
Disposals	–	(3,969)	(4,171)	–	**(8,140)**
At 31 August 2025	34,769	233,603	185,647	84,897	**538,916**
Carrying amount					
At 31 August 2025	43,951	126,932	133,049	762	**304,694**
At 31 August 2024	51,823	175,464	117,359	12,610	357,256

16. DEBTORS

	2025 £	2024 £
Trade debtors	**58,599**	67,749
Prepayments and accrued income	**23,116**	23,955
	81,715	91,704

17. CREDITORS: amounts falling due within one year

	2025 £	2024 £
Trade creditors	**24,112**	35,581
Accruals and deferred income	**212,351**	201,909
Social security and other taxes	**2,950**	–
Other creditors	**2,858**	21
	242,271	237,511

18. DEFERRED INCOME

	2025	2024
	£	£
Amount deferred in year	**203,940**	196,725

	2025	2024
Amount deferred in year:	£	£
Pupil tuition fees 2025/26	**22,436**	29,402
School tuition	**177,602**	166,513
Room hire received in advance	**2,352**	810
Rental income received in advance	**1,550**	-
	203,940	196,725

19. PENSIONS AND OTHER POST RETIREMENT BENEFITS

The Calderdale Music Ltd Principal belongs to the Teachers' Pension Scheme, England and Wales (TPS) which is a multi-employer defined-benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The outstanding contributions of £73 (2024 - £21).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

VALUATION OF THE TEACHERS' PENSION SCHEME

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses. The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website the Teachers' Pension Scheme website

The pension cost paid to TPS in the period amounted to £39,346 (2024 - £39,363 for a 17 month period).

Scheme changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	1 Sept 2024	Income	Expenditure	Transfers	**31 Aug 2025**
	£	£	£	£	**£**
General funds	306,779	590,293	(658,258)	(31,695)	**207,119**

	1 April 2023	Income	Expenditure	Transfers	31 Aug 2024
	£	£	£	£	£
General funds	594,301	631,412	(865,534)	(53,400)	306,779

Restricted funds

	1 Sept 2024	Income	Expenditure	Transfers	**31 Aug 2025**
	£	£	£	£	**£**
Fixed asset fund	58,707	60,721	(28,673)	(1,560)	**89,195**
Arts Council England	–	328,410	(361,665)	33,255	–
	58,707	389,131	(390,338)	31,695	**89,195**

	1 April 2023	Income	Expenditure	Transfers	31 Aug 2024
	£	£	£	£	£
Fixed asset fund	79,372	1,649	(17,821)	(4,493)	58,707
Arts Council England	–	488,492	(546,385)	57,893	–
	79,372	490,141	(564,206)	53,400	58,707

The Restricted fixed asset fund represents musical instruments and fixtures and fittings transferred to Calderdale Music Ltd from Calderdale MBC in 2015, a further £60,315 was acquired through Bradford MDC Capital Grant in 2025, both are stated less depreciation charges.

Arts Council England is a grant towards the costs of extending the delivery of Music education hub activity.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	**Total Funds 2025**
	£	£	**£**
Tangible fixed assets	215,499	89,195	**304,694**
Current assets	233,891	–	**233,891**
Creditors less than 1 year	(242,271)	–	**(242,271)**
Net assets	207,119	89,195	**296,314**

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Tangible fixed assets	298,549	58,707	357,256
Current assets	245,741	–	245,741
Creditors less than 1 year	(237,511)	–	(237,511)
Net assets	306,779	58,707	365,486

22. ANALYSIS OF CHANGES IN NET DEBT

	1 Sep 2024	Cash flows	**31 Aug 2025**
	£	£	**£**
Cash at bank and in hand	154,037	(1,861)	**152,176**

23. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2025	2024
	£	£
Not later than 1 year	**87,202**	66,500
Later than 1 year and not later than 5 years	**141,236**	134,997
	228,438	201,497

24. RELATED PARTIES

There were no related party transactions during this year.

Calderdale Music Limited

England & Wales - Charity number 1154343

Accounts

CALDERDALE MUSIC LIMITED

ACCOUNTS

31 AUGUST 2024

Company Registration Number 08597862

Charity Number 1154343

STREETS®
SPENSER WILSON
CHARTERED ACCOUNTANTS

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

PERIOD FROM 1 APRIL 2023 TO 31 AUGUST 2024

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CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

PERIOD FROM 1 APRIL 2023 TO 31 AUGUST 2024

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 period ended 31 August 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Calderdale Music Limited	
Charity registration number	1154343	
Company registration number	08597862	
Principal office and registered office	The Old Courthouse Blackwall Halifax West Yorkshire HX1 2DL	
The trustees	C Wightman	
	S Wild	
	J Brook	
	P Reynoldson	
	D J Heywood	
	A J Sapey	
	J Clayton	(Served from 26 September 2023 to 3 January 2024)
	K Rezina	
	M Sharp	
	S R Montgomery	(Appointed 19 November 2023)
Key Management Personnel	D Heywood J Brook	
Independent examiner	E A Short Equitable House 55 Pellon Lane Halifax West Yorkshire HX1 5SP	
Bank	Lloyds Bank Plc Commercial Street Halifax HX1 1BB	

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 July 2013 and registered as a charity on 25 October 2013. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under the Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Board of Trustees are responsible for the overall strategy of the company. The Board meets termly and is chaired Peter Reynoldson. The Calderdale Music Ltd Principal is responsible for the day to day management.

Calderdale Music Ltd is committed to ensuring that we pay our staff and self-employed tutors fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The appropriateness of staff remuneration is reviewed annually, including reference to comparisons with similar organisations ensuring Calderdale Music remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

Recruitment and appointment of trustees

All the Company Directors are also Trustees of the Charity. The Principal of the Calderdale is also a Company Director and Charity Trustee. The trustees may appoint one or more sub-committees to carry out any duty which in the opinion of the trustees would be more conveniently undertaken by a sub-committee, who would then in turn report to the trustees.

Trustees are recruited by the Board to always ensure that the Board has expertise across all areas of the interest of Calderdale Music Ltd. A skills audit will be completed when necessary to highlight the areas of expertise that may need strengthening. The recommended processes from the Arts Council will be followed. The development of the Board is crucial to Calderdale Music Ltd's future sustainability and essential for ensuring it is fit for purpose. The Board is also sourcing expertise.

Trustee induction and training

On appointment a trustee is given an information pack that includes the Memorandum and Articles of Association and the latest accounts. Training needs are assessed and met as required. At the first trustees meeting after the Annual General Meeting, all trustees are reminded of their responsibilities and new trustees provided with a copy of CC3: Responsibilities of the Charity Trustees. The trustees discuss and update the company's future plans and objectives document.

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed, a risk register is maintained identifying financial, regulatory, business and operational risks and where appropriate, systems or procedures have been established to mitigate the risks the charity faces and additional policies put in place where required.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have considered the risks facing Calderdale Music Ltd and believe the main risk is ensuring there is continuing funding from the Arts Council. Plans are being made to mitigate against any potential reduction in funding from central government.

The Trustees regard the health and safety of children as being of paramount importance and ensure staff are vetted by the Disclosure and Barring Service.

OBJECTIVES AND ACTIVITIES

Calderdale Music Ltd aims to promote and support the highest quality music education for all. The company exists for the advancement of public education in all aspects of music in the Borough of Calderdale. In practice Calderdale Music Ltd provides the delivery of the Local Authority's music service. Calderdale Music Ltd aims to provide a safe and encouraging environment where young people are nurtured and their achievements celebrated.

Calderdale Music Education Hub funding is spent in accordance with Arts Council England guidelines and will support the following priorities from 'The Power of Music to Change Lives: A National Plan for Music Education.'

The 3 aims are to:

- support schools and other education settings to deliver high-quality music education, - support young people to develop their interests and talent further, including into employment - support all children and young people to engage with a range of musical opportunities in and out of school. The 5 Strategic Functions are:
- Partnerships
- Schools
- Progression and Musical Development
- Inclusion
- Sustainability

ACHIEVEMENTS AND PERFORMANCE

Calderdale Music Ltd has continued to deliver effectively towards the advancement of excellent music education for the children and young people in Calderdale throughout 2023/24.

Calderdale Music Ltd.'s key objectives are to provide excellent music and arts education for everyone in Calderdale, engage with and have an active partnership with 100% of schools, academies and other education providers and institutions, be recognised throughout the region for excellence in all areas of provision and to lead on national initiatives, partnerships and opportunities.

Calderdale Music Ltd operates from its headquarters The Old Courthouse and comprises high quality accommodation including office areas, 1:1 and small group teaching areas, ensemble rooms, a Board Room and performance space. The coffee shop continued trading as Rhythm & Brews although this has now been scaled back to a bean to cup coffee machine with seating.

Calderdale Music Ltd.'s vision statement is 'to open life-long music and arts opportunities to all, providing a cultural heart for Calderdale that unites, motivates and inspires people to live more creative lives.'

Our Mission is 'to listen to and collaborate with our schools, partners, communities and individuals, so together we can offer the best in teaching and specialist music and arts education, along with access to a wide range of performance opportunities and facilities. By nurturing relationships and being ambitious we will keep raising the bar, helping us to better reflect and respond to the changing needs of the communities we serve.'

The values at Calderdale Music Ltd are Honesty, Expertise, Achievement, Reliability and Together. Throughout 2023/24, Calderdale Music Ltd delivered Whole Class Ensemble and School Curriculum Tuition in 50 schools. This equated to 116 separate classes of Whole Class Ensemble Tuition per week. This compares to delivering Whole Class Ensemble and School Curriculum Tuition to 40 schools in 2022/23 and 132 separate classes. We have increased the number of schools that we are engaging with but due to financial constraints in schools, there is an overall reduction in the number of classes that are being delivered per week.

The number of pupils receiving 1:1 and small group tuition continued to improve throughout 2023/24 with 624 receiving 1:1 and small group tuition. This is an increase from 602 in 2022/23.

Music Education Hubs throughout England continue to struggle with recruiting high-quality candidates and Calderdale Music Ltd continues to experience a higher demand than our current staffing capacity will allow. Whilst a number of very high-quality candidates have been appointed throughout the year, it will remain a priority to continuously recruit and appoint Music Leaders to deliver Whole Class Ensemble and Curriculum Tuition, 1:1/small groups and ensembles.

CPD and training events took place for Music Leaders both in schools and at Calderdale Music Ltd. Through our ongoing School Music Development Plans, school and Music Leader needs were identified and addressed through a number of CPD and training events. There were also two CPD sessions delivered as part of School Centred Initial Teacher Training Programmes.

Throughout 2023/24, a number of high profile performance events took place. These included termly performances for 1:1 and small group pupils, West Yorkshire wide wind and brass band rehearsals and performances and music video productions. Our 2nd Voices Together performance took place at the Victoria Theatre and featured over 1200 pupils over 3 nights. Calderdale Music also piloted work experience opportunities at The Piece Hall on as part of their festival series performances from June to August 2024.

2023-2024 also saw the announcement of the Arts Council Music Hub Investment Programme. Guidance for Applicants was published in June 2023 with a deadline for applications in October 2023. The 5 Local Authority areas within West Yorkshire applied as part of a newly formed consortium group to become the West Yorkshire Music Hub. To meet the Arts Council's requirements, Bradford Music and Arts Service was selected to be the Hub Lead Organisation with each LA Area given strategic oversight for one of the Arts Council's Strategic Functions for Music Hubs. From September 2024, the West Yorkshire Music Hub was launched, and Calderdale Music are the strategic lead for Inclusion.

FINANCIAL REVIEW

During the period unrestricted expenditure exceeded income by £287,522 (2023 - £21,319 income exceeded expenditure). however, £53,400 has been transferred to restricted funds which was in deficit by £74,065. The total funds of the Charity have decreased from £673,673 to £365,486. Free reserves at 31 August 2024, after accounting for restricted funds and reserves represented by fixed assets were £8,230 (2023 - £211,702). The restricted fixed asset fund represents musical instruments, fixture and fittings and computer equipment transferred to Calderdale Music Limited from Calderdale MBA in 2015, less depreciation charges.

Reserves at the end of the year were £437,540 which are to be used to finance additional projects, trading in the ensuing year and as backup reserve.

Principal funding sources
The main sources of funding are from Service Level Agreements with the Arts Council and pupil tuition. Arts Council currently represents 40% of total income. Pupils tuition accounts for 54% of the total income and a further 6% of total income is obtained from other income sources.

Investment policy

Aside from retaining a prudent amount in reserves each year most of the Charity's funds are to be spent in the short term so there are few funds available for long term investment. Having considered the options available, the Calderdale Music Ltd Directors has decided to invest amount available in a short term interest bearing account.

Reserves policy

The Directors have examined the charity's requirements for reserves in light of the main risks to the organisation and have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be in the region of between six and nine months expenditure, in view of current economic difficulties, which amounts to approximately £440,000. Unrestricted funds are £306,779 including fixed assets of £298,549 leaving free reserves of £8,230. Restricted funds amount to £58,707, which is in relation to restricted fixed assets. Reserves are lower than the current policy and the trustees are looking to increase reserves to the required level in the ensuing year.

The Trustees are also conscious that they need to look to the long-term future of Calderdale Music Ltd in terms of the provision of service and to enable them to respond to changes within the DfE.

PLANS FOR FUTURE PERIODS

There are a number of plans in place in the coming year. To ensure the continued viability and success of Calderdale Music, it is vital that the legal framework and transition to becoming a formal consortium member of the West Yorkshire Music Hub takes place quickly and efficiently. This will ensure that the grant funding can be disseminated to each consortium partner promptly in line with the Arts Council Funding Agreements and Quarterly Submissions.

Calderdale Music's 5 strategic objectives will be revisited to ensure clear priorities are set for the coming years. There will be a focus on staff recruitment, retention and staff development to ensure Calderdale Music's workforce are highly skilled, experienced and motivated to deliver outstanding provision in all areas of our work.

We will continue to development our engagement with schools and ensure that there are appropriate opportunities for progression available to all students including 1:1 and small group provision. We will also introduce our new Music Technology Strategy into our provision which also includes new partnerships with The Piece Hall and Roland.

TRUSTEES' RESPONSIBILITIES

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

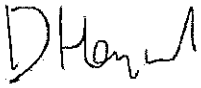
Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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 applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

The trustees' annual report and the strategic report were approved on 29 January 2025 and signed on behalf of the board of trustees by:



D J HEYWOOD
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CALDERDALE MUSIC LIMITED *(continued)*

PERIOD FROM 1 APRIL 2023 TO 31 AUGUST 2024

I report to the trustees on my examination of the financial statements of Calderdale Music Limited ('the charity') for the period ended 31 August 2024.

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.

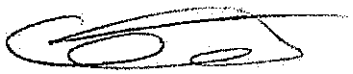
INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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.



E A SHORT
Independent Examiner

29 January 2025

Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

PERIOD FROM 1 APRIL 2023 TO 31 AUGUST 2024

	Note	Period from 1 Apr 23 to 31 Aug 24 Unrestricted funds £	Restricted funds £	Total funds £	Year to 31 Mar 23 Total funds £
Income and endowments					
Donations and legacies	**5**	–	488,492	**488,492**	350,547
Charitable activities	**6**	632,125	–	**632,125**	419,091
Other income	**7**	(713)	1,649	**936**	–
Total income		631,412	490,141	**1,121,553**	769,638
Expenditure					
Expenditure on charitable activities	**8,9**	865,534	564,206	**1,429,740**	887,245
Total expenditure		865,534	564,206	**1,429,740**	887,245
Net expenditure		(234,122)	(74,065)	**(308,187)**	(117,607)
Transfers between funds		(53,400)	53,400	–	–
Net movement in funds		(287,522)	(20,665)	**(308,187)**	(117,607)
Reconciliation of funds					
Total funds brought forward		594,301	79,372	**673,673**	791,280
Total funds carried forward		306,779	58,707	**365,486**	673,673

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 12 to 25 form part of these financial statements.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION *(continued)*

31 AUGUST 2024

	Note	31 Aug 24 £	31 Aug 24 £	31 Mar 23 £	31 Mar 23 £
FIXED ASSETS					
Tangible fixed assets	15		357,256		461,971
CURRENT ASSETS					
Debtors	16	91,704		34,105	
Cash at bank and in hand		154,037		222,041	
		245,741		256,146	
CREDITORS: amounts falling due within one year	17	237,511		44,444	
NET CURRENT ASSETS			8,230		211,702
TOTAL ASSETS LESS CURRENT LIABILITIES			365,486		673,673
NET ASSETS			365,486		673,673
FUNDS OF THE CHARITY					
Restricted funds			58,707		79,372
Unrestricted funds			306,779		594,301
Total charity funds	20		365,486		673,673

For the period ending 31 August 2024 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 period 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 29 January 2025, and are signed on behalf of the board by:

D J HEYWOOD
Trustee

The notes on pages 12 to 25 form part of these financial statements.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

PERIOD FROM 1 APRIL 2023 TO 31 AUGUST 2024

	31 Aug 24 £	31 Mar 23 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net expenditure	**(308,187)**	(117,607)
Adjustments for:		
Depreciation of tangible fixed assets	**154,826**	91,926
Accrued expenses/(income)	**491**	(2,622)
Changes in:		
Trade and other debtors	**(57,599)**	(14,201)
Trade and other creditors	**192,576**	(6,460)
Cash generated from operations	**(17,893)**	(48,964)
Net cash used in operating activities	**(17,893)**	(48,964)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	**(59,770)**	(196,648)
Proceeds from sale of tangible assets	**9,659**	–
Net cash used in investing activities	**(50,111)**	(196,648)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(68,004)**	(245,612)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**222,041**	467,653
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**154,037**	222,041

The notes on pages 12 to 25 form part of these financial statements.

1. 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 The Old Courthouse, Blackwall, Halifax, West Yorkshire, HX1 2DL.

2. 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.

3. 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 measured at fair value through income or expenditure.

Going concern

From the review of forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to confine in operational existence for the foreseeable future. The Trustees has therefore continued to adopt the going concern basis in preparing the financial statements.

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.

There are not considered to be any judgments or accounting estimates or assumptions that have a significant impact on the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose.

3. ACCOUNTING POLICIES *(continued)*

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.

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.

3. ACCOUNTING POLICIES *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

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:

Lease hold building	-	10 years
Fixtures, fittings and equipment	-	25% reducing balance
Musical instruments	-	15 years
Computer equipment	-	25% straight line

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.

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Financial instruments

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

3. ACCOUNTING POLICIES *(continued)*

Defined contribution plans

Retirement benefits to directors of the Calderdale Music Ltd are provided by the Teachers' Pension Scheme (TPS).

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charity 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 quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Charity 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 recognised as they are paid each year.

4. LIMITED BY GUARANTEE

The company does not have a share capital being a company limited by guarantee. Individual trustee's liability is limited to a maximum of £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
GRANTS			
Grants receivable	–	488,492	**488,492**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
GRANTS			
Grants receivable	4,000	346,547	350,547

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
School teaching income	220,717	**220,717**	177,713	177,713
Pupil Tuition	337,072	**337,072**	216,270	216,270
Event income	20,953	**20,953**	1,417	1,417
Other income	4,183	**4,183**	3,349	3,349
Rock School & Virtual School	3,302	**3,302**	4,033	4,033
Room hire	45,898	**45,898**	16,309	16,309
	632,125	**632,125**	419,091	419,091

7. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Gain on disposal of tangible fixed assets held for charity's own use	(713)	1,649	**936**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Gain on disposal of tangible fixed assets held for charity's own use	–	–	–

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	**Total Funds 2024**
	£	£	**£**
Pupil tuition	236,370	146,849	**383,219**
Music centres	52,128	32,387	**84,515**
School teaching	262,733	163,229	**425,962**
Support costs	314,303	221,741	**536,044**
	865,534	564,206	**1,429,740**

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Pupil tuition	58,344	210,232	268,576
Music centres	6,733	24,258	30,991
School teaching	47,125	169,801	216,926
Support costs	289,570	81,182	370,752
	401,772	485,473	887,245

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	**Total funds 2024**	Total fund 2023
	£	£	**£**	£
Pupil tuition	383,219	217,685	**600,904**	457,621
Music centres	84,515	51,076	**135,591**	52,803
School teaching	425,962	257,440	**683,402**	369,615
Governance costs	–	9,844	**9,844**	7,206
	893,696	536,044	**1,429,740**	887,245

10. ANALYSIS OF SUPPORT COSTS

Support costs attributable to more than one activity are allocated in proportion to staff time spent on the activities. The proportions are 48% teaching for schools (2023 - 42%), 9% music centre (2023 - 6%) and 43% pupils (2023 - 52%).

10. ANALYSIS OF SUPPORT COSTS *(continued)*

	Pupil tuition	Music centres	School teaching	**Total 2024**	Total 2023
	£	£	£	**£**	£
Staff costs	55,575	12,261	61,771	**129,607**	110,345
Premises	68,115	15,021	75,717	**158,853**	89,457
Communications and IT	989	218	1,098	**2,305**	2,110
Depreciation	66,390	14,642	73,794	**154,826**	91,927
Human resources	3,881	856	4,311	**9,048**	2,153
Finance costs	772	170	857	**1,799**	1,629
Governance costs	4,221	931	4,692	**9,844**	7,205
Insurance	8,559	1,887	9,514	**19,960**	10,751
Travelling	2,347	517	2,609	**5,473**	4,968
Bad debts	104	23	116	**243**	–
Postage and stationery	1,111	245	1,233	**2,589**	1,610
Advertising	243	54	271	**568**	5,750
Computer and software	3,330	734	3,701	**7,765**	12,498
Miscellaneous expenses	1,096	242	2,017	**3,355**	1,481
Training costs	1,231	271	1,368	**2,870**	(494)
Subscriptions	10,033	2,213	11,151	**23,397**	12,246
Repairs and renewals	1,519	335	1,688	**3,542**	17,115
	229,516	50,620	255,908	**536,044**	370,751

11. NET EXPENDITURE

Net expenditure is stated after charging/(crediting):

	31 Aug 24	31 Mar 23
	£	£
Depreciation of tangible fixed assets	**154,826**	91,926
Gains on disposal of tangible fixed assets	**(936)**	–
Operating lease rentals	**3,895**	–

12. INDEPENDENT EXAMINATION FEES

	Period from 1 Apr 23 to 31 Aug 24	Year to 31 Mar 23
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	**4,235**	3,300
Other financial services	**3,810**	2,546
	8,045	5,846

13. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Period from 1 Apr 23 to 31 Aug 24	Year to 31 Mar 23
	£	£
Wages and salaries	**878,397**	526,203
Social security costs	**62,261**	40,880
Employer contributions to pension plans	**69,569**	53,194
Bought in tutors	**500**	4,236
	1,010,727	624,513

The average head count of employees during the period was 29 (2023: 26). The average number of full-time equivalent employees during the period is analysed as follows:

	31 Aug 24	31 Mar 23
	No.	No.
Management and administration	**6**	5
Music leaders	**13**	18
	19	23

The number of employees whose remuneration for the year fell within the following bands, were:

	Period from 1 Apr 23 to 31 Aug 24	Year to 31 Mar 23
	No.	No.
£60,000 to £69,999	**–**	1
£90,000 to £99,999	**1**	–
£110,000 to £119,999	**1**	–
	2	1

Key Management Personnel

The key management personnel of the Charity comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Charity during the 17-month period was £204,284 (2023 - year £112,585).

14. TRUSTEE REMUNERATION AND EXPENSES

Under the provisions of the Governing document, Mr D Heywood (trustee) is employed by the charity to teach music to young persons in accordance with the objectives of the Charity and has been paid a salary of and £88,512 (2023 - £55,294) for a 17 month period respectively, in respect of those services.

Mrs Brook is employed as a Business and Enterprise Manager and was paid £75,983 for a 17-month period (2023 - £43,379).

Pension contributions for the 17-month period were also paid of £22,263, (2023 - £13,094) for Mr Heywood and £17,526 (2023 - £817) for Mrs Brook.

These trustees only receive remuneration in respect of services they provide undertaking the roles of teaching and business management, not in respect of their services as a trustee.

Other trustees did not receive any payments from Calderdale Music Ltd in respect of their role as trustees.

No expenses were paid to the trustees during the period. (Year ended 31 March 2023: £Nil).

15. TANGIBLE FIXED ASSETS

	Short leasehold improvements £	Fixtures and fittings £	Musical instruments £	Computers £	**Total £**
Cost					
At 1 April 2023	78,720	326,140	265,572	83,902	**754,334**
Additions	–	46,511	11,502	1,757	**59,770**
Disposals	–	(3,481)	(12,077)	–	**(15,558)**
At 31 August 2024	78,720	369,170	264,997	85,659	**798,546**
Depreciation					
At 1 April 2023	15,744	109,087	122,239	45,293	**292,363**
Charge for the period	11,153	85,489	30,428	27,756	**154,826**
Disposals	–	(870)	(5,029)	–	**(5,899)**
At 31 August 2024	26,897	193,706	147,638	73,049	**441,290**
Carrying amount					
At 31 August 2024	51,823	175,464	117,359	12,610	**357,256**
At 31 March 2023	62,976	217,053	143,333	38,609	461,971

15. TANGIBLE FIXED ASSETS *(continued)*

Capital commitments

	31 Aug 24	31 Mar 23
	£	£
Contracted for but not provided for in the financial statements	–	28,577

16. DEBTORS

	31 Aug 24	31 Mar 23
	£	£
Trade debtors	**67,749**	4,534
Prepayments and accrued income	**23,955**	27,600
Other debtors	–	1,971
	91,704	34,105

17. CREDITORS: amounts falling due within one year

	31 Aug 24	31 Mar 23
	£	£
Trade creditors	**35,581**	36,295
Accruals and deferred income	**201,909**	4,693
Social security and other taxes	–	2
Other creditors	**21**	3,454
	237,511	44,444

18. DEFERRED INCOME

	31 Aug 24	31 Mar 23
	£	£
Amount deferred in period	**196,725**	–

Deferred income includes £29,402 pupil tuition fees for 2025/26 (2024 - £29,402 for a 17 month period) school tuition £166,513 for 2025/26 (2024 - £166,513 for a 17 month period), £2,352 (2024 - £810 for a 17 month period) for room hire received in advance and £810 (2024 - £nil for a 17 month period) of rental income received in advance.

19. PENSIONS AND OTHER POST RETIREMENT BENEFITS

The Calderdale Music Ltd Principal belongs to the Teachers' Pension Scheme, England and Wales (TPS) which is a multi-employer defined-benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The outstanding contributions of £31(2021: £17).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the teachers' pension scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses. The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website the Teachers' Pension Scheme website

The pension cost paid to TPS in the 17-month period amounted to £39,363 (2023 - £13,095).

Scheme changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	1 April 2023	Income	Expenditure	Transfers	**31 Aug 2024**
	£	£	£	£	**£**
General funds	594,301	631,412	(865,534)	(53,400)	**306,779**

	1 April 2022	Income	Expenditure	Transfers	31 Mar 2023
	£	£	£	£	£
General funds	691,271	423,091	(401,772)	(118,289)	594,301

20. ANALYSIS OF CHARITABLE FUNDS *(continued)*

Restricted funds

	1 April 2023	Income	Expenditure	Transfers	**31 Aug 2024**
	£	£	£	£	**£**
Fixed asset fund	79,372	1,649	(17,821)	(4,493)	**58,707**
Arts Council England	–	488,492	(546,385)	57,893	–
	79,372	490,141	(564,206)	53,400	**58,707**

	1 April 2022	Income	Expenditure	Transfers	31 Mar 2023
	£	£	£	£	£
Fixed asset fund	92,801	–	(13,429)	–	79,372
Arts Council England	7,208	346,547	(472,044)	118,289	–
	100,009	346,547	(485,473)	118,289	79,372

The Restricted fixed asset fund represents musical instruments and fixtures and fittings transferred to Calderdale Music Ltd from Calderdale MBC in 2015, less depreciation charges.

Arts Council England is a grant towards the costs of extending the delivery of Music education hub activity.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	**Total Funds 2024**
	£	£	**£**
Tangible fixed assets	298,549	58,707	**357,256**
Current assets	245,741	–	**245,741**
Creditors less than 1 year	(237,511)	–	**(237,511)**
Net assets	306,779	58,707	**365,486**

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	382,599	79,372	461,971
Current assets	256,146	–	256,146
Creditors less than 1 year	(44,444)	–	(44,444)
Net assets	594,301	79,372	673,673

22. ANALYSIS OF CHANGES IN NET DEBT

	1 Apr 2023	Cash flows	**31 Aug 2024**
	£	£	**£**
Cash at bank and in hand	222,041	(68,004)	**154,037**

23. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Aug 24	31 Mar 23
	£	£
Not later than 1 year	**66,500**	60,012
Later than 1 year and not later than 5 years	**134,997**	174,000
	201,497	234,012

24. RELATED PARTIES

There were no related party transactions during this year.

Calderdale Music Limited

England & Wales - Charity number 1154343

Accounts

Calderdale Music

CALDERDALE MUSIC LIMITED

ACCOUNTS

31 MARCH 2023

Company Registration Number 08597862

Charity Number 1154343

Spenser Wilson
Chartered Accountants & Business Advisers

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

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CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 31 MARCH 2023

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 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Calderdale Music Limited	
Charity registration number	1154343	
Company registration number	08597862	
Principal office and registered Office	The Old Courthouse Blackwall Halifax West Yorkshire HX1 2DL	
The Trustees	C Wightman	
	S Wild	
	J Brook	
	P Reynoldson	
	S P Jones	(Retired 28 September 2022)
	D J Heywood	
	R Kelly	
	S R Lone	(Retired 28 September 2022)
	A J Sapey	
	E Landale	(Retired 14 May 2022)
	J Clayton	(Appointed 26 September 2023)
	K Rezina	
	M Sharp	(Appointed 6 July 2022)
Independent examiner	E A Short Equitable House 55 Pellon Lane Halifax West Yorkshire HX1 5SP	

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 July 2013 and registered as a charity on 25 October 2013. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under the Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Board of Trustees are responsible for the overall strategy of the company. The Board meets termly and is chaired Peter Reynoldson. The Calderdale Music Ltd Principal is responsible for the day to day management.

Calderdale Music Ltd is committed to ensuring that we pay our staff and self-employed tutors fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The appropriateness of staff remuneration is reviewed annually, including reference to comparisons with similar organisations ensuring Calderdale Music remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

The charity formed a trading subsidiary, Rhythm & Brews Ltd on 1 November 2022, the subsidiary will operate the café at The Old Courthouse. No trading figures are available for consolidation in these accounts.

Recruitment and appointment of trustees

All the Company Directors are also Trustees of the Charity. The Principal of the Calderdale is also a Company Director and Charity Trustee. The trustees may appoint one or more sub-committees to carry out any duty which in the opinion of the trustees would be more conveniently undertaken by a sub-committee, who would then in turn report to the trustees.

Trustees are recruited by the Board to always ensure that the Board has expertise across all areas of the interest of Calderdale Music Ltd. A skills audit will be completed when necessary to highlight the areas of expertise that may need strengthening. The recommended processes from the Arts Council will be followed. The development of the Board is crucial to Calderdale Music Ltd's future sustainability and essential for ensuring it is fit for purpose. The Board is also sourcing expertise.

Trustee induction and training

On appointment a trustee is given an information pack that includes the Memorandum and Articles of Association and the latest accounts. Training needs are assessed and met as required. At the first trustees meeting after the Annual General Meeting, all trustees are reminded of their responsibilities and new trustees provided with a copy of CC3: Responsibilities of the Charity Trustees. The trustees discuss and update the company's future plans and objectives document.

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed, a risk register is maintained identifying financial, regulatory, business and operational risks and where appropriate, systems or procedures have been established to mitigate the risks the charity faces and additional policies put in place where required.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have considered the risks facing Calderdale Music Ltd and believe the main risk is ensuring there is continuing funding from the Arts Council. Plans are being made to mitigate against any potential reduction in funding from central government.

The Trustees regard the health and safety of children as being of paramount importance and ensure staff are vetted by the Disclosure and Barring Service.

OBJECTIVES AND ACTIVITIES

Calderdale Music Ltd aims to promote and support the highest quality music education for all. The company exists for the advancement of public education in all aspects of music in the Borough of Calderdale. In practice Calderdale Music Ltd provides the delivery of the Local Authority's music service. Calderdale Music Ltd aims to provide a safe and encouraging environment where young people are nurtured and their achievements celebrated.

Calderdale Music Education Hub funding is spent in accordance with Arts Council England guidelines and will support the following priorities from 'The Importance of Music: A National Plan for Music Education.'

Core roles

a) Ensure that every child aged 5 to 18 has the opportunity to learn a musical instrument.
b) Provide opportunities to play in ensembles and to perform from an early stage
c) Ensure that clear progression routes are available and affordable to all young people.
d) Develop a singing strategy to ensure that every pupil sings regularly and that choirs and other vocal ensembles are available in the area.

Extension roles

a) Offer CPD training to music teachers.
b) Provide an instrument loan service, with discounts or free provision for those on low incomes.
c) Provide access to large scale and/or high quality music experiences for pupils, working with professional musicians and/or venues.

ACHIEVEMENTS AND PERFORMANCE

Calderdale Music Ltd has continued to deliver effectively towards the advancement of excellent music education for the children and young people in Calderdale throughout 2022/23.

Calderdale Music Ltd's key objectives are to provide excellent music and arts education for everyone in Calderdale, engage with and have an active partnership with 100% of schools, academies and other education providers and institutions, be recognised throughout the region for excellence in all areas of provision and to lead on national initiatives, partnerships and opportunities.

Calderdale Music Ltd operates from its headquarters The Old Courthouse and comprises high quality accommodation including office areas, 1:1 and small group teaching areas, ensemble rooms, a Board Room and performance space. The coffee shop has also commenced trading as Rhythm & Brews. The Music Shop and Media Suite are currently on hold whilst further needs analysis takes place to ensure the commercial and operational success of the spaces.

An additional wing will provide Calderdale Music Ltd with a number of additional practice rooms, office space, small kitchen area and dedicated children's toilet facilities from May 2023. Calderdale Music Ltd's vision statement is 'to open life-long music and arts opportunities to all, providing a cultural heart for Calderdale that unites, motivates and inspires people to live more creative lives.'

Our Mission is 'to listen to and collaborate with our schools, partners, communities and individuals, so together we can offer the best in teaching and specialist music and arts education, along with access to a wide range of performance opportunities and facilities. By nurturing relationships and being ambitious we will keep raising the bar, helping us to better reflect and respond to the changing needs of the communities we serve.'

The values at Calderdale Music Ltd are Honesty, Expertise, Achievement, Reliability and Together.

Throughout 2022/23, Calderdale Music Ltd delivered Whole Class Ensemble and School Curriculum Tuition in 40 schools. This equates to 132 separate classes of Whole Class Ensemble Tuition per week.

The number of pupils receiving 1:1 and small group tuition continued to improve throughout 2022/23. There are now 602 pupils receiving weekly tuition with a further 111 pupils on the waiting list. This is an increase from 567 at the same point in 2021/22. Music Education Hubs throughout England are continuing to struggle with recruiting high quality candidates and Calderdale Music Ltd continues to experience a higher demand than our current staffing capacity will allow. A range of innovative recruitment strategies are already in place and a number of Music Leaders were appointed throughout the year. Additional recruitment will also continue throughout the academic year.

A number of staffing developments also took place during the year. The middle leadership team continued to oversee schools, instrumental tuition, ensembles and inclusion. There were also a number of appointments made to other positions within the organisation including members of the admin team, site services and Rhythm & Brews Ltd.

CPD and training events took place for Music Leaders both in schools and at Calderdale Music Ltd. Through our ongoing School Music Education Plans, school and Music Leader needs were identified and addressed through a number of CPD and training events. At least 15 representatives attended each of the four sessions throughout the year. There were also two CPD sessions delivered as part of School Centred Initial Teacher Training Programmes.

Calderdale Music Ltd have been part of Youth Music's IDEA Accreditation Programme Pilot. This saw eight Music Education Hubs in England undertake a programme to develop and showcase our work in Inclusion, Diversity, Equity and Access (IDEA). Calderdale Music have been praised for their approach in embedding Inclusion in all aspects of the organisation.

In November 2022, Calderdale Music presented the My Voice Matters programme at the Music Mark National Conference in Newcastle. My Voice Matters is an arts based programme to raise achievement in schools through music, poetry and the Forest School. The Music Mark presentation featured four members of staff and thirty pupils from a number of schools in the Elland Cluster in Calderdale.

Throughout 2022/23, a number of high profile performance events took place at The Old Courthouse. These include termly performances for 1:1 and small group pupils, West Yorkshire wide wind and brass band rehearsals and performances and music video productions.

FINANCIAL REVIEW

During the year unrestricted income exceeded expenditure by £21,319 (2022 - £39,496). however, £118,289 has been transferred to restricted funds which was in deficit by £138,926. The total funds of the Charity have decreased from £791,280 to £673,673. Free reserves at 31 March 2023, after accounting for restricted funds and reserves represented by fixed assets were £211,702 (2022 - £434,031). The restricted fixed asset fund represents musical instruments, fixture and fittings and computer equipment transferred to Calderdale Music Limited from Calderdale MBA in 2015, less depreciation charges.

Reserves at the end of the year were £673,673 which are to be used to finance additional projects, trading in the ensuing year and as backup reserve.

Principal funding sources

The main sources of funding are from Service Level Agreements with the Arts Council and pupil tuition. Arts Council currently represents 45% of total income. Pupils tuition accounts for 51% of the total income and a further 4% of total income is obtained from other income sources.

Investment policy

Aside from retaining a prudent amount in reserves each year most of the Charity's funds are to be spent in the short term so there are few funds available for long term investment. Having considered the options available, the Calderdale Music Ltd Directors has decided to invest amount available in a short term interest bearing account.

Reserves policy

The Directors have examined the charity's requirements for reserves in light of the main risks to the organisation and have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be in the region of between six and nine months expenditure, in view of current economic difficulties, which amounts to approximately £600,000. Unrestricted funds are £594,301 including fixed assets of £382,599 leaving free reserves of £211,702. Restricted funds amount to £79,372, which is in relation to restricted fixed assets. Reserves are lower than the current policy and the trustees are looking to increase reserves to the required level in the ensuing year.

The Trustees are also conscious that they need to look to the long-term future of Calderdale Music Ltd in terms of the provision of service and to enable them to respond to changes within the DfE

PLANS FOR FUTURE PERIODS

There are a number of exciting plans in place in the coming year. Calderdale Music Ltd are proud to be part of Culturedale 2024 which is a year long celebration of culture and the arts as part of Calderdale's 50th anniversary. This will include a number of large scale performances at the Victoria Theatre as part of Voices Together, the launch of the Music Technology Academy in partnership with The Piece Hall, Calderdale College and the Victoria Theatre, a two week masterclass with multi-platinum, Grammy nominee producer and songwriter Erik Griggs with forty pupils from Calderdale and the launch of Calderdale Music's new ensembles strategy which will give even greater musical opportunities to the children and young people in Calderdale.

The five current Music Educations Hubs of West Yorkshire have submitted a bid to Arts Council England to lead the new Music Hubs as a consortium group from September 2024. Bradford Music and Arts Service have applied on behalf of the consortium group to be the Hub Lead Organisation. If successful, each current local authority area will be responsible for one of the Strategic Functions in the new National Plan for Music Education which are partnerships, schools, progression and musical development, inclusion and sustainability.

TRUSTEES' RESPONSIBILITIES

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

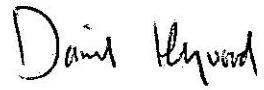
Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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 applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

The trustees' annual report and the strategic report were approved on 22 November 2023 and signed on behalf of the board of trustees by:



D J HEYWOOD
Trustee

I report to the trustees on my examination of the financial statements of Calderdale Music Limited ('the charity') for the year ended 31 March 2023.

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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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.

E A SHORT FCA
Independent Examiner

Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

22/11/2023

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2023

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 **Total funds** £	2022 Total funds £
Income and endowments					
Donations and legacies	**5**	4,000	346,547	**350,547**	358,831
Charitable activities	**6**	419,091	–	**419,091**	285,491
Total income		423,091	346,547	**769,638**	644,322
Expenditure					
Expenditure on charitable activities	**7,8**	401,772	485,473	**887,245**	695,209
Total expenditure		401,772	485,473	**887,245**	695,209
Net expenditure		21,319	(138,926)	**(117,607)**	(50,887)
Transfers between funds		(118,289)	118,289	–	–
Net movement in funds		(96,970)	(20,637)	**(117,607)**	(50,887)
Reconciliation of funds					
Total funds brought forward		691,271	100,009	**791,280**	842,167
Total funds carried forward		594,301	79,372	**673,673**	791,280

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 12 to 23 form part of these financial statements.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 MARCH 2023

	Note	2023 £	2023 £	2022 £	2022 £
FIXED ASSETS					
Tangible fixed assets	14		461,971		357,249
CURRENT ASSETS					
Debtors	15	34,105		19,904	
Cash at bank and in hand		222,041		467,653	
		256,146		487,557	
CREDITORS: amounts falling due within one year	16	44,444		53,526	
NET CURRENT ASSETS			211,702		434,031
TOTAL ASSETS LESS CURRENT LIABILITIES			673,673		791,280
NET ASSETS			673,673		791,280
FUNDS OF THE CHARITY					
Restricted funds			79,372		100,009
Unrestricted funds			594,301		691,271
Total charity funds	19		673,673		791,280

For the year ending 31 March 2023 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 22 November 2023, and are signed on behalf of the board by:

David Heywood

D J HEYWOOD
Trustee

The notes on pages 12 to 23 form part of these financial statements.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net expenditure	**(117,607)**	(50,887)
Adjustments for:		
Depreciation of tangible fixed assets	**91,926**	58,540
Government grant income	**–**	(9,037)
Accrued income	**(2,622)**	(164)
Changes in:		
Trade and other debtors	**(14,201)**	1,293
Trade and other creditors	**(6,460)**	(19,496)
Cash generated from operations	**(48,964)**	(19,751)
Net cash used in operating activities	**(48,964)**	(19,751)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	**(196,648)**	(232,633)
Proceeds from sale of tangible assets	**–**	3,579
Net cash used in investing activities	**(196,648)**	(229,054)
CASH FLOWS FROM FINANCING ACTIVITIES		
Government grant income	**–**	9,037
Net cash from financing activities	**–**	9,037
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(245,612)**	(239,768)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**467,653**	707,421
CASH AND CASH EQUIVALENTS AT END OF YEAR	**222,041**	467,653

The notes on pages 12 to 23 form part of these financial statements.

1. 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 The Old Courthouse, Blackwall, Halifax, West Yorkshire, HX1 2DL.

2. 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.

3. 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 measured at fair value through income or expenditure.

Going concern

From the review of forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to confine in operational existence for the foreseeable future. The Trustees has therefore continued to adopt the going concern basis in preparing the financial statements.

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.

There are not considered to be any judgments or accounting estimates or assumptions that have a significant impact on the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose.

3. ACCOUNTING POLICIES *(continued)*

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.

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.

3. ACCOUNTING POLICIES *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

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:

Lease hold building	-	10 years
Fixtures, fittings and equipment	-	25% reducing balance
Musical instruments	-	15 years
Computer equipment	-	25% straight line

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants receivable relating to Covid-19 are accounted for under the accrual method and recognised immediately as income in the Statement of Income and Retained Earnings. Where applied for and received these grants include payments under the Coronavirus Job Retention Scheme (furlough payments), Small Business Grant and interest paid by the Government during the first 12 months of Bounce Bank Loans.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

3. ACCOUNTING POLICIES *(continued)*

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Financial instruments

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

Defined contribution plans

Retirement benefits to directors of the Calderdale Music Ltd are provided by the Teachers' Pension Scheme (TPS).

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charity 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 quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Charity 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 recognised as they are paid each year.

4. LIMITED BY GUARANTEE

The company does not have a share capital being a company limited by guarantee. Individual trustee's liability is limited to a maximum of £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
GRANTS			
Grants receivable	4,000	346,547	**350,547**
Government grant income	–	–	–
	4,000	346,547	**350,547**

5. DONATIONS AND LEGACIES *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
GRANTS			
Grants receivable	–	349,794	349,794
Government grant income	9,037	–	9,037
	9,037	349,794	358,831

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
School teaching income	177,713	**177,713**	103,481	103,481
Pupil Tuition	216,270	**216,270**	158,319	158,319
Other income	4,766	**4,766**	12,358	12,358
Rock School & Virtual School	4,033	**4,033**	4,540	4,540
Room hire	16,309	**16,309**	6,793	6,793
	419,091	**419,091**	285,491	285,491

7. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Pupil tuition	58,344	210,232	**268,576**
Music centres	6,733	24,258	**30,991**
School teaching	47,125	169,801	**216,926**
Support costs	289,570	81,182	**370,752**
	401,772	485,473	**887,245**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Pupil tuition	22,074	110,036	132,110
Music centres	5,455	22,572	28,027
School teaching	36,139	149,536	185,675
Support costs	270,356	79,041	349,397
	334,024	361,185	695,209

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	**Total funds 2023**	Total fund 2022
	£	£	**£**	£
Pupil tuition	268,576	189,045	**457,621**	266,267
Music centres	30,991	21,812	**52,803**	55,476
School teaching	216,926	152,689	**369,615**	367,109
Governance costs	–	7,206	**7,206**	6,357
	516,493	370,752	**887,245**	695,209

9. ANALYSIS OF SUPPORT COSTS

Support costs attributable to more than one activity are allocated in proportion to staff time spent on the activities. The proportions are 42% teaching for schools, 6% music centre and 52% pupils.

	Pupil tuition	Music centres	School teaching	**Total 2023**	Total 2022
	£	£	£	**£**	£
Staff costs	57,379	6,621	46,345	**110,345**	130,489
Premises	46,518	5,367	37,572	**89,457**	42,091
Communications and IT	1,097	127	886	**2,110**	2,587
General office	47,802	5,516	38,609	**91,927**	58,540
Human resources	1,120	129	904	**2,153**	49,055
Finance costs	847	98	684	**1,629**	2,496
Governance costs	3,747	432	3,026	**7,205**	17,857
Insurance	5,591	645	4,515	**10,751**	7,459
Travelling	2,583	298	2,087	**4,968**	3,332
Postage and stationery	837	97	676	**1,610**	1,412
Advertising	2,990	345	2,415	**5,750**	227
Computer and software	6,499	750	5,249	**12,498**	7,002
Miscellaneous expenses	770	89	622	**1,481**	7,605
Training costs	(257)	(30)	(207)	**(494)**	2,847
Subscriptions	6,368	735	5,143	**12,246**	11,839
Repairs and renewals	8,900	1,027	7,189	**17,116**	4,560
	192,791	22,246	155,715	**370,752**	349,398

10. NET EXPENDITURE

Net expenditure is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	**91,926**	58,540

11. INDEPENDENT EXAMINATION FEES

	2023	2022
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	**3,300**	3,100
Other financial services	**2,546**	3,258
	5,846	6,358

12. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	**526,203**	418,160
Social security costs	**40,880**	36,157
Employer contributions to pension plans	**53,194**	30,015
Other employee benefits	**4,236**	4,776
	624,513	489,108

The average head count of employees during the year was 26 (2022: 16). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Management and administration	**5**	6
Music leaders	**18**	10
	23	16

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Key Management Personnel

The key management personnel of the Charity comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Charity was £112,585 (2022: £91,109).

13. TRUSTEE REMUNERATION AND EXPENSES

Under the provisions of the Governing document, Mr D Heywood (trustee) is employed by the charity to teach music to young persons in accordance with the objectives of the Charity and has been paid a salary of and £55,294 (2022 - £52,643) respectively, in respect of those services.

Mrs Brook is employed as a Business and Enterprise Manager and was paid £43,379(2022 - £24,855 for a 7-month period).

Pension contributions were also paid of £13,094 (2022 - £12,466) for Mr Heywood and £817 (2022 - £1,145) for Mrs Brook.

These trustees only receive remuneration in respect of services they provide undertaking the roles of teaching and business management, not in respect of their services as a trustee.

Other trustees did not receive any payments from Calderdale Music Ltd in respect of their role as trustees.

No expenses were paid to the trustees during the period. (Year ended 31 March 2022: £Nil).

14. TANGIBLE FIXED ASSETS

	Short leasehold improvements £	Fixtures and fittings £	Musical instruments £	Computers £	**Total £**
Cost					
At 1 April 2022	78,720	131,198	263,866	83,902	**557,686**
Additions	–	194,942	1,706	–	**196,648**
At 31 March 2023	78,720	326,140	265,572	83,902	**754,334**
Depreciation					
At 1 April 2022	7,872	62,698	104,650	25,217	**200,437**
Charge for the year	7,872	46,389	17,589	20,076	**91,926**
At 31 March 2023	15,744	109,087	122,239	45,293	**292,363**
Carrying amount					
At 31 March 2023	62,976	217,053	143,333	38,609	**461,971**
At 31 March 2022	70,848	68,500	159,216	58,685	357,249

Capital commitments

	2023 £	2022 £
Contracted for but not provided for in the financial statements	**28,577**	–

15. DEBTORS

	2023	2022
	£	£
Trade debtors	4,534	5,151
Prepayments and accrued income	27,600	14,753
Other debtors	1,971	–
	34,105	19,904

16. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	36,295	45,524
Accruals and deferred income	4,693	7,315
Social security and other taxes	2	–
Other creditors	3,454	687
	44,444	53,526

17. PENSIONS AND OTHER POST RETIREMENT BENEFITS

The Calderdale Music Ltd Principal belongs to the Teachers' Pension Scheme, England and Wales (TPS) which is a multi-employer defined-benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The outstanding contributions of £nil (2022: £13).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting And Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of

pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation Of The Teachers' Pension Scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website the Teachers' Pension Scheme website

The pension cost paid to TPS in the period amounted to £13,095 (2022 - £12,466).

Scheme Changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

18. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2023	2022
	£	£
Recognised in income from donations and legacies:		
Government grants income	–	9,037

19. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	1 April 2022	Income	Expenditure	Transfers	**31 Mar 2023**
	£	£	£	£	**£**
General funds	691,271	423,091	(401,772)	(118,289)	**594,301**

	1 April 2021	Income	Expenditure	Transfers	31 Mar 2022
	£	£	£	£	£
General funds	730,767	294,528	(334,024)	–	691,271

Restricted funds

	1 April 2022	Income	Expenditure	Transfers	**31 Mar 2023**
	£	£	£	£	**£**
Fixed asset fund	92,801	–	(13,429)	–	**79,372**
Arts Council England	7,208	346,547	(472,044)	118,289	–
	100,009	346,547	(485,473)	118,289	**79,372**

	1 April 2021	Income	Expenditure	Transfers	31 Mar 2022
	£	£	£	£	£
Fixed asset fund	105,889	–	(13,088)	–	92,801
Arts Council England	5,511	349,794	(348,097)	–	7,208
	111,400	349,794	(361,185)	–	100,009

The Restricted fixed asset fund represents musical instruments, fixtures and fittings and computers transferred to Calderdale Music Ltd from Calderdale MBC in 2015, less depreciation charges.

Arts Council England is a grant towards the costs of extending the delivery of Music education hub activity.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	**Total Funds 2023**
	£	£	**£**
Tangible fixed assets	382,599	79,372	**461,971**
Current assets	256,146	–	**256,146**
Creditors less than 1 year	(44,444)	–	**(44,444)**
Net assets	594,301	79,372	**673,673**

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	264,448	92,801	357,249
Current assets	480,349	7,208	487,557
Creditors less than 1 year	(53,526)	–	(53,526)
Net assets	691,271	100,009	791,280

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2022	Cash flows	**At 31 Mar 2023**
	£	£	**£**
Cash at bank and in hand	467,653	(245,612)	**222,041**

22. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	**60,012**	29,250
Later than 1 year and not later than 5 years	**174,000**	234,000
	234,012	263,250

23. RELATED PARTIES

There were no related party transactions during this year.

Calderdale Music Limited

England & Wales - Charity number 1154343

Accounts

Calderdale Music

CALDERDALE MUSIC

LIMITED

ACCOUNTS

31 MARCH 2022

Company Registration Number 08597862

Charity Number 1154343

Spenser Wilson

Chartered Accountants & Business Advisers

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

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CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 31 MARCH 2022

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 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Calderdale Music Limited	
Charity registration number	1154343	
Company registration number	08597862	
Principal office and registered office	The Old Courthouse Blackwall Halifax West Yorkshire HX1 2DL	
The Trustees	C Wightman S Wild J Brook P Reynoldson S P Jones D J Heywood R Kelly S R Lone A J Sapey E Landale M Sharp	 (Appointed 13 September 2021) (Retired 14 May 2022) (Appointed 6 July 2022)
Independent examiner	E A Short Equitable House 55 Pellon Lane Halifax West Yorkshire HX1 5SP	

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 July 2013 and registered as a charity on 25 October 2013. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under the Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The charity changed its name from Calderdale Music Trust Limited to Calderdale Music Limited on 1 November 2021.

The Board of Trustees are responsible for the overall strategy of the company. The Board meets termly and is chaired Peter Reynoldson. The Calderdale Music Ltd Principal is responsible for the day to day management.

Calderdale Music Ltd is committed to ensuring that we pay our staff and self-employed tutors fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The appropriateness of staff remuneration is reviewed annually, including reference to comparisons with similar organisations ensuring Calderdale Music remains sensitive to the broader issues e.g., pay and employment conditions elsewhere.

Recruitment and appointment of trustees

All the Company Directors are also Trustees of the Charity. The Principal of the Calderdale is also a Company Director and Charity Trustee. The trustees may appoint one or more sub-committees to carry out any duty which in the opinion of the trustees would be more conveniently undertaken by a sub-committee, who would then in turn report to the trustees.

Trustees are recruited by the Board to always ensure that the Board has expertise across all areas of the interest of Calderdale Music Ltd. A skills audit will be completed when necessary to highlight the areas of expertise that may need strengthening. The recommended processes from the Arts Council will be followed. The development of the Board is crucial to Calderdale Music Ltd's future sustainability and essential for ensuring it is fit for purpose. The Board is also sourcing expertise.

Trustee induction and training

On appointment a trustee is given an information pack that includes the Memorandum and Articles of Association and the latest accounts. Training needs are assessed and met as required. At the first trustees meeting after the Annual General Meeting, all trustees are reminded of their responsibilities and new trustees provided with a copy of CC3: Responsibilities of the Charity Trustees. The trustees discuss and update the company's future plans and objectives document.

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed, a risk register is maintained identifying financial, regulatory, business and operational risks and where appropriate, systems or procedures have been established to mitigate the risks the charity faces and additional policies put in place where required.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have considered the risks facing Calderdale Music Ltd and believe the main risk is ensuring there is continuing funding from the Arts Council. Plans are being made to mitigate against any potential reduction in funding from central government.

The Trustees regard the health and safety of children as being of paramount importance and ensures staff are vetted by the Disclosure and Barring Service.

OBJECTIVES AND ACTIVITIES

Calderdale Music Ltd aims to promote and support the highest quality music education for all. The company exists for the advancement of public education in all aspects of music in the Borough of Calderdale. In practice Calderdale Music Ltd provides the delivery of the Local Authority's music service. Calderdale Music Ltd aims to provide a safe and encouraging environment where young people are nurtured and their achievements celebrated.

Calderdale Music Education Hub funding is spent in accordance with Arts Council England guidelines and will support the following priorities from 'The Importance of Music: A National Plan for Music Education.'

Core roles

a) Ensure that every child aged 5 to 18 has the opportunity to learn a musical instrument.
b) Provide opportunities to play in ensembles and to perform from an early stage
c) Ensure that clear progression routes are available and affordable to all young people.
d) Develop a singing strategy to ensure that every pupil sings regularly and that choirs and other vocal ensembles are available in the area.

Extension roles

a) Offer CPD training to music teachers.
b) Provide an instrument loan service, with discounts or free provision for those on low incomes.
c) Provide access to large scale and/or high quality music experiences for pupils, working with professional musicians and/or venues.

STRATEGIC REPORT

The following sections for achievements and performance and financial review form the strategic report of the charity.

ACHIEVEMENTS AND PERFORMANCE

Calderdale Music Ltd has continued to deliver effectively towards the advancement of excellent music education for the children and young people in Calderdale throughout 2021/22. The organisation also continued to demonstrate resilience against the impact caused by the effect of COVID-19 since March 2020 which only saw all restrictions fully lifted from 21 June 2021.

Calderdale Music's key objectives are to provide excellent music and arts education for everyone in Calderdale, engage with and have an active partnership with 100% of schools, academies and other education providers and institutions, be recognised throughout the region for excellence in all areas of provision and to lead on national initiatives, partnerships and opportunities.

The Old Courthouse is now well established as Calderdale Music's headquarters. The office areas, 1:1 and small group teaching areas, the ensemble room, the Board Room and performance space have now been completed and are operating successfully. The Coffee Shop has been fitted out but is not yet operating commercially until appropriate staffing is in place and sufficient training has been undertaken. The Music Shop and Media Suite are currently on hold whilst further needs analysis takes place to ensure the commercial and operational success of the spaces. An additional wing has also been agreed in principle to provide Calderdale Music Ltd with a number of additional practice rooms, office space, small kitchen area and dedicated children's toilet facilities. It is anticipated that this additional space will be operational by early 2023.

The organisation wide rebranding has now been fully implemented and included a new website, Service Level Agreement for schools and Wayfinding in and around The Old Courthouse. The rebranding also provided a new vision statement, mission statement and organisational values. These form the foundations for all provision taking place by Calderdale Music Ltd.

Calderdale Music's vision statement is 'to open life-long music and arts opportunities to all, providing a cultural heart for Calderdale that unites, motivates and inspires people to live more creative lives.'

Our Mission is 'to listen to and collaborate with our schools, partners, communities and individuals, so together we can offer the best in teaching and specialist music and arts education, along with access to a wide range of performance opportunities and facilities. By nurturing relationships and being ambitious we will keep raising the bar, helping us to better reflect and respond to the changing needs of the communities we serve.'

The values at Calderdale Music Ltd are Honesty, Expertise, Achievement, Reliability and Together.

Throughout 2021/22, Calderdale Music Ltd delivered Whole Class Ensemble and School Curriculum Tuition in 40 schools. This is a significant increase from 24 schools that received tuition in 2020/21. This was a very positive increase in provision, particularly when considering that a number of COVID related restrictions and measures were still in place when Service Level Agreements were issued and agreed.

The number of pupils receiving 1:1 and small group tuition continued to improve throughout 2021/22. During the early stages of the pandemic, 1:1 and small group tuition numbers plummeted to 91 from 650. There are now 567 pupils receiving weekly tuition with a further 217 pupils on the waiting list. Music Education Hubs throughout England are continuing to struggle with recruiting high quality candidates and Calderdale Music Ltd continues to experience a higher demand than our current staffing capacity will allow. A range of innovative recruitment strategies are already in place and 4 new Music

Leaders have been appointed from September 2022. Additional recruitment will also continue throughout the academic year.

A number of staffing developments also took place during the year. L Durrans was appointed as a permanent and full time Project Lead. This is a middle leadership position with responsibility for Equality, Diversity and Inclusion and our Strategy for Singing in Calderdale. J Parker has been appointed as a temporary acting up Ensemble and Instrumental Tuition Lead from September 2022 to oversee the development of ensembles and 1:1 teaching both in schools and at Calderdale Music Ltd.

A number of CPD and training events took place for Music Leaders both in schools and at Calderdale Music Ltd. Through our ongoing School Music Education Plans, school and Music Leader needs were identified and addressed through a number of CPD and training events. At least 15 representatives attended each of the 4 sessions throughout the year. There were also two CPD sessions delivered as part of School Centred Initial Teacher Training Programmes.

Working in partnership with Rotherham and Rochdale Music Services, Calderdale Music Ltd has completed the first year of the implementation of its Inclusion Strategy which was funded by Youth Music. The strategy has enabled Calderdale Music Ltd to successfully embed Inclusion into all areas of provision and there has been a significant impact on the schools and pupils that we engage with. An ongoing strategy is now being developed by the Project Lead.

FINANCIAL REVIEW

During the year unrestricted expenditure exceeded expenditure by £39,496 (Year to 31 July 2021 - £14,152). The total funds of the Charity have decreased from £842,167 to £791,280. Free reserves at 31 March 2022, after accounting for restricted funds and reserves represented by fixed assets were £434,031 (31 July 2021 - £652,921). The restricted fixed asset fund represents musical instruments, fixture and fittings and computer equipment transferred to Calderdale Music Limited from Calderdale MBC in 2015, less depreciation charges.

Reserves at the end of the year were £791,280 which are to be used to finance additional projects, trading in the ensuing year and as backup reserve.

Principal funding sources

The main sources of funding are from Service Level Agreements with the Arts Council and pupil tuition. Arts Council currently represents 53% of total income. Pupils tuition accounts for 39% of the total income and a further 8% of total income is obtained from other income sources.

Investment policy

Aside from retaining a prudent amount in reserves each year most of the Charity's funds are to be spent in the short term so there are few funds available for long term investment. Having considered the options available, the Calderdale Music Ltd Directors has decided to invest amount available in a short term interest bearing account.

Reserves policy

The Directors have examined the charity's requirements for reserves in light of the main risks to the organisation and have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be in the region of nine months expenditure, in view of current economic difficulties, which amounts to approximately £520,000. Unrestricted funds are £698,479 including fixed assets of £264,448 leaving free reserves of £434,031. Restricted funds amount to £100,009, which includes restricted fixed assets of £92,801. Reserves are lower than the current policy and the trustees are looking to increase reserves to the required level in the ensuing year.

The Trustees are also conscious that they need to look to the long-term future of Calderdale Music Ltd in terms of the provision of service and to enable them to respond to changes within the DfE

Calderdale Music Ltd has moved premises during the year and the surplus fund have been utilised to facilitate the move.

PLANS FOR FUTURE PERIODS

A consortium group comprising Calderdale Music Ltd, The Victoria Theatre, The Piece Hall, Artworks and IOU Theatre has continued to lead Calderdale's Cultural Educational Partnership. The consortium group has oversight of the emerging Cultural Educational Partnership strategy that will be developed through a period of consultation work with children and young people from September 2022. This will provide Calderdale Music Ltd with the needs and expectations of children and young people in Music and the Arts in Calderdale to aid developmental planning and strategies in the coming years.

The refreshed National Plan for Music Education was released by the DfE in June 2022. This sets out the new strategy and plan for schools, Music Hubs and other Arts and Music providers until 2030. There are some exciting opportunities for Music Hubs in the delivery of the new aims and strategic functions outlined in the document. There will also be 4 new Centres of Excellence established in Inclusion, CPD, Music Technology and Pathways to Industry.

There are also a number of challenges in the implantation of the plan as there continues to be a shortage of high quality music teachers within the sector. The DfE and Arts Council have also indicated that they wish to reduce the number of Music Hubs by Lead Organisations covering a wider geographical area. The timescale and process for this will be shared by the DfE and Arts Council in Autumn 2022.

TRUSTEES' RESPONSIBILITIES

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

The trustees' annual report and the strategic report were approved on 27 September 2022 and signed on behalf of the board of trustees by:

D J Heywood
Trustee

I report to the trustees on my examination of the financial statements of Calderdale Music Limited ('the charity') for the year ended 31 March 2022.

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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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.

E A Short
Independent Examiner

Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2022

	Note	Year to 31 Mar 22 Unrestricted funds £	Restricted funds £	Total funds £	Period from 1 Aug 20 to 31 Mar 21 Total funds £
Income and endowments					
Donations and legacies	5	9,037	349,794	**358,831**	245,364
Charitable activities	6	285,491	–	**285,491**	125,095
Total income		294,528	349,794	**644,322**	370,459
Expenditure					
Expenditure on charitable activities	7,8	334,024	361,185	**695,209**	356,307
Total expenditure		334,024	361,185	**695,209**	356,307
Net (expenditure)/income and net movement in funds		(39,496)	(11,391)	**(50,887)**	14,152
Reconciliation of funds					
Total funds brought forward		730,767	111,400	**842,167**	828,016
Total funds carried forward		691,271	100,009	**791,280**	842,167

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 12 to 24 form part of these financial statements.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION *(continued)*

31 MARCH 2022

	Note	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible fixed assets	14		357,249		186,735
CURRENT ASSETS					
Debtors	15	19,904		21,197	
Cash at bank and in hand		467,653		707,422	
		487,557		728,619	
CREDITORS: amounts falling due within one year	16	53,526		73,187	
NET CURRENT ASSETS			434,031		655,432
TOTAL ASSETS LESS CURRENT LIABILITIES			791,280		842,167
NET ASSETS			791,280		842,167
FUNDS OF THE CHARITY					
Restricted funds			100,009		111,400
Unrestricted funds			691,271		730,767
Total charity funds	20		791,280		842,167

For the year ending 31 March 2022 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 27 September 2022, and are signed on behalf of the board by:

D J Heywood
Trustee

The notes on pages 12 to 24 form part of these financial statements.

CALDERDALE MUSIC LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (expenditure)/income	**(50,887)**	14,152
Adjustments for:		
Depreciation of tangible fixed assets	**58,540**	12,414
Government grant income	**(9,037)**	(12,503)
Accrued (income)/expenses	**(164)**	1,024
Changes in:		
Trade and other debtors	**1,293**	(695)
Trade and other creditors	**(19,496)**	(23,226)
Cash generated from operations	**(19,751)**	(8,834)
Net cash used in operating activities	**(19,751)**	(8,834)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	**(232,633)**	(46,362)
Proceeds from sale of tangible assets	**3,578**	–
Net cash used in investing activities	**(229,055)**	(46,362)
CASH FLOWS FROM FINANCING ACTIVITIES		
Government grant income	**9,037**	12,503
Net cash from financing activities	**9,037**	12,503
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(239,769)**	(42,693)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**707,422**	751,610
CASH AND CASH EQUIVALENTS AT END OF YEAR	**467,653**	708,917

The notes on pages 12 to 24 form part of these financial statements.

1. 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 The Old Courthouse, Blackwall, Halifax, West Yorkshire, HX1 2DL.

2. 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.

3. 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 measured at fair value through income or expenditure.

Going concern

From the review of forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to confine in operational existence for the foreseeable future. The Trustees has therefore continued to adopt the going concern basis in preparing the financial statements.

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.

There are not considered to be any judgments or accounting estimates or assumptions that have a significant impact on the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose.

3. ACCOUNTING POLICIES *(continued)*

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.

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.

3. ACCOUNTING POLICIES *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

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:

Leasehold building	-	10 years
Fixtures, fittings and equipment	-	25% reducing balance
Musical instruments	-	15 years
Computer equipment	-	25% straight line

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants receivable relating to Covid-19 are accounted for under the accrual method and recognised immediately as income in the Statement of Income and Retained Earnings. Where applied for and received these grants include payments under the Coronavirus Job Retention Scheme (furlough payments), Small Business Grant and interest paid by the Government during the first 12 months of Bounce Bank Loans.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

3. ACCOUNTING POLICIES *(continued)*

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Financial instruments

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

Defined contribution plans

Retirement benefits to directors of the Calderdale Music Ltd are provided by the Teachers' Pension Scheme (TPS).

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Charity 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 quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Charity 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 recognised as they are paid each year.

4. LIMITED BY GUARANTEE

The company does not have a share capital being a company limited by guarantee. Individual trustee's liability is limited to a maximum of £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
GRANTS			
Grants receivable	–	349,794	**349,794**
Government grant income	9,037	–	**9,037**
	9,037	349,794	**358,831**

5. DONATIONS AND LEGACIES *(continued)*

	Unrestricted Funds £	Restricted Funds £	Period from 1 Aug 20 to 31 Mar 21 £
GRANTS			
Grants receivable	–	232,861	232,861
Government grant income	12,503	–	12,503
	12,503	232,861	245,364

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Period from 1 Aug 20 to 31 Mar 21 £
School teaching income	103,481	**103,481**	62,763	62,763
Pupil Tuition	158,319	**158,319**	48,147	48,147
Other income	12,358	**12,358**	8,185	8,185
Rock School & Virtual School	4,540	**4,540**	6,000	6,000
Room hire	6,793	**6,793**	–	–
	285,491	**285,491**	125,095	125,095

7. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Pupil tuition	26,593	110,036	**136,629**
Music centres	5,455	22,572	**28,027**
School teaching	36,139	149,536	**185,675**
Support costs	265,837	79,041	**344,878**
	334,024	361,185	**695,209**

	Unrestricted Funds £	Restricted Funds £	Total Funds Period from 1 Aug 20 to 31 Mar 21 £
Pupil tuition	10,977	64,289	75,266
Music centres	1,568	9,185	10,753
School teaching	13,589	79,595	93,184
Support costs	93,370	83,735	177,104
	119,504	236,804	356,307

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	**Total funds 2022**	Total fund Period from 1 Aug 20 to 31 Mar 21
	£	£	**£**	£
Pupil tuition	136,629	134,157	**270,786**	146,150
Music centres	28,027	27,449	**55,476**	20,879
School teaching	185,675	176,915	**362,590**	180,943
Governance costs	–	6,357	**6,357**	8,335
	350,331	344,878	**695,209**	356,307

9. ANALYSIS OF SUPPORT COSTS

Support costs attributable to more than one activity are allocated in proportion to staff time spent on the activities. The proportions are 53% teaching for schools, 8% music centre and 39% pupils.

	Pupil tuition	Music centres	School teaching	**Total 2022**	Total Period from 1 Aug 20 to 31 Mar 21
	£	£	£	**£**	£
Staff costs	50,891	10,439	69,159	**130,489**	67,285
Premises	16,416	3,367	22,309	**42,092**	50,246
Communications and IT	1,009	207	1,371	**2,587**	1,847
General office	22,830	4,683	31,027	**58,540**	12,414
Human resources	4,051	831	5,505	**10,387**	6,649
Finance costs	973	200	1,323	**2,496**	838
Governance costs	6,965	1,428	9,464	**17,857**	8,336
Insurance	2,909	597	3,953	**7,459**	4,723
Travelling	1,299	267	1,766	**3,332**	165
Postage and stationery	551	113	748	**1,412**	881
Advertising	89	18	120	**227**	4,469
Computer and software	17,808	3,241	21,839	**42,888**	5,206
Miscellaneous expenses	2,966	608	4,031	**7,605**	1,782
Training costs	1,126	231	1,530	**2,887**	4,019
Subscriptions	4,617	947	6,275	**11,839**	8,110
Repairs and renewals	1,085	222	1,474	**2,781**	135
	135,585	27,399	181,894	**344,878**	177,105

10. NET (EXPENDITURE)/INCOME

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

	2022	Period from 1 Aug 20 to 31 Mar 21
	£	£
Depreciation of tangible fixed assets	**58,540**	12,414

11. INDEPENDENT EXAMINATION FEES

	Year to 31 Mar 22	Period from 1 Aug 20 to 31 Mar 21
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	**3,100**	3,000
Other financial services	**3,258**	2,336
	6,358	5,336

12. STAFF COSTS

The average head count of employees during the year was 16 (2021: 14). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	Period from 1 Aug 20 to 31 Mar 21
	No.	No.
Management and administration	**6**	4
Music leaders	**10**	8
	16	12

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

Key Management Personnel

The key management personnel of the Charity comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Charity was £91,109 (2021: £47,441).

13. TRUSTEE REMUNERATION AND EXPENSES

Under the provisions of the Governing document, Mr D Heywood (trustee) is employed by the charity to teach music to young persons in accordance with the objectives of the Charity and has been paid a salary of and £52,643 (8-month period ended 31 March 2021: £35,095) respectively, in respect of those services.

Mrs J Brook was appointed as a trustee in September 2021, Mrs Brook is employed as a Business and Enterprise Manager and was paid £24,855.

Pension contributions were also paid of £12,466 for Mr Heywood and £1,145 for Mrs Brook.

These trustees only receive remuneration in respect of services they provide undertaking the roles of teaching and business management, not in respect of their services as a trustee.

Other trustees did not receive any payments from Calderdale Music Ltd in respect of their role as trustees.

No expenses were paid to the trustees during the period. (Year ended 31 July 2021: £NIL).

14. TANGIBLE FIXED ASSETS

	Short leasehold improvements £	Fixtures & fittings £	Musical instruments £	Computers £	**Total £**
Cost					
At 1 April 2021	32,628	58,970	225,284	13,921	**330,803**
Additions	46,092	72,228	44,332	69,981	**232,633**
Disposals	–	–	(5,750)	–	**(5,750)**
At 31 March 2022	78,720	131,198	263,866	83,902	**557,686**
Depreciation					
At 1 April 2021	–	49,695	89,232	5,141	**144,068**
Charge for the year	7,872	13,003	17,589	20,076	**58,540**
Disposals	–	–	(2,171)	–	**(2,171)**
At 31 March 2022	7,872	62,698	104,650	25,217	**200,437**
Carrying amount					
At 31 March 2022	70,848	68,500	159,216	58,685	**357,249**
At 31 March 2021	32,628	9,275	136,052	8,780	186,735

15. DEBTORS

	2022	2021
	£	£
Trade debtors	**5,151**	10,980
Prepayments and accrued income	**14,753**	10,217
	19,904	21,197

16. CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	**45,524**	55,864
Accruals and deferred income	**7,315**	7,479
Social security and other taxes	**–**	7,339
Other creditors	**687**	2,505
	53,526	73,187

17. DEFERRED INCOME

	2022	2021
	£	£
At 1 Apr 21	–	57,164
Amount released to income	–	(57,164)
At 31 Mar 22	–	–

Deferred income within accruals and deferred income included in note 16 is made up of:

Arts Council funding received in advance of the financial year was £Nil (2021: £Nil).

18. PENSIONS AND OTHER POST RETIREMENT BENEFITS

The Calderdale Music Ltd Principal belongs to the Teachers' Pension Scheme, England and Wales (TPS) which is a multi-employer defined-benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

THE TEACHERS' PENSION BUDGETING AND VALUATION ACCOUNT

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

VALUATION OF THE TEACHERS' PENSION SCHEME

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses. The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website the Teachers' Pension Scheme website

The pension cost paid to TPS in the period amounted to £17,835 (8-month period to 31 March 2021: £13,200).

SCHEME CHANGES

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

19. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2022	2021
	£	£
Recognised in income from donations and legacies:		
Government grants income	**9,037**	12,503

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	**At 31 Mar 2022 £**
General funds	730,767	294,528	(334,024)	**691,271**

	At 1 Aug 2020 £	Income £	Expenditure £	At 31 Mar 2021 £
General funds	712,673	137,598	(119,504)	730,767

Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	**At 31 Mar 2022 £**
Fixed asset fund	105,889	–	(13,088)	**92,801**
Arts Council England	5,511	349,794	(348,097)	**7,208**
	111,400	349,794	(361,185)	**100,009**

	At 1 Aug 2020 £	Income £	Expenditure £	At 31 Mar 2021 £
Fixed asset fund	115,343	–	(9,454)	105,889
Arts Council England	–	232,861	(227,350)	5,511
	115,343	232,861	(236,804)	111,400

The Restricted fixed asset fund represents musical instruments, fixtures and fittings and computers transferred to Calderdale Music Ltd from Calderdale MBC in 2015, less depreciation charges.

Arts Council England is a grant towards the costs of extending the delivery of Music education hub activity.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	**Total Funds 2022**
	£	£	**£**
Tangible fixed assets	264,448	92,801	**357,249**
Current assets	480,349	7,208	**487,557**
Creditors less than 1 year	(53,526)	–	**(53,526)**
Net assets	691,271	100,009	**791,280**

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Tangible fixed assets	80,846	105,889	186,735
Current assets	723,108	5,511	728,619
Creditors less than 1 year	(70,187)	–	(70,187)
Net assets	733,767	111,400	845,167

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2021	Cash flows	**At 31 Mar 2022**
	£	£	**£**
Cash at bank and in hand	707,422	(239,769)	**467,653**

23. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	**29,250**	29,250
Later than 1 year and not later than 5 years	**234,000**	234,000
	263,250	263,250

24. RELATED PARTIES

There were no related party transactions during this year.

Calderdale Music Limited

England & Wales - Charity number 1154343

Accounts

CALDERDALE MUSIC TRUST

LIMITED

ACCOUNTS

31 MARCH 2021

Company Registration Number 08597862

Charity Number 1154343

Spenser Wilson
Chartered Accountants & Business Advisers

CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

PERIOD FROM 1 AUGUST 2020 TO 31 MARCH 2021

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CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

PERIOD FROM 1 AUGUST 2020 TO 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 period ended 31 March 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Calderdale Music Trust Limited		
Charity registration number	1154343		
Company registration number	08597862		
Principal office and registered office	The Old Magistrates Court Blackwall Halifax West Yorkshire HX1 2DL		
The trustees	D J Heywood	CMT Principal	
	C Wightman	Primary School Headteacher	
	P N Brennan	Education Consultant	Retired 25 Nov 2020
	P Reynoldson	Rochdale Music Service	
	S Wild		
	S P Jones		
	R Kelly		
	S R Lone		
	A J Sapey		
	J Brook		Appointed 13 Sept 2021
	E Landale		Appointed 13 Jan 2021
Independent examiner	E A Short FCA Equitable House 55 Pellon Lane Halifax West Yorkshire HX1 5SP		
Bank	Lloyds Bank Commercial Street Halifax HX1 1BB		
Solicitor	Wilkinson Woodward 11 Fountain Street Halifax HX1 1LU		

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 July 2013 and registered as a charity on 25 October 2013. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under the Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Board of Trustees are responsible for the overall strategy of the company. The Board meets termly and is chaired Peter Reynoldson. The Calderdale Music Trust Principal is responsible for the day to day management.

Calderdale Music Trust is committed to ensuring that we pay our staff and self-employed tutors fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The appropriateness of staff remuneration is reviewed annually, including reference to comparisons with similar organisations ensuring Calderdale Music Trust remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

Recruitment and appointment of trustees

All the Company Directors are also Trustees of the Charity. The Principal of the Trust is also a Company Director and Charity Trustee. The trustees may appoint one or more sub-committees to carry out any duty which in the opinion of the trustees would be more conveniently undertaken by a sub-committee, who would then in turn report to the trustees.

Trustees are recruited by the Board to always ensure that the Board has expertise across all areas of the interest of Calderdale Music Trust. A skills audit will be completed when necessary to highlight the areas of expertise that may need strengthening. The recommended processes from the Arts Council will be followed. The development of the Board is crucial to Calderdale Music Trust's future sustainability and essential for ensuring it is fit for purpose. The Board is also sourcing expertise in areas identified from the need analysis.

Trustee induction and training

On appointment a trustee is given an information pack that includes the Memorandum and Articles of Association and the latest accounts. Training needs are assessed and met as required. At the first trustees meeting after the Annual General Meeting, all trustees are reminded of their responsibilities and new trustees provided with a copy of CC3: Responsibilities of the Charity Trustees. The trustees discuss and update the company's future plans and objectives document.

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed, a risk register is maintained identifying financial, regulatory, business and operational risks and where appropriate, systems or procedures have been established to mitigate the risks the charity faces and additional policies put in place where required.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have considered the risks facing Calderdale Music Trust and believe the main risk is ensuring there is continuing funding from the Arts Council. Plans are being made to mitigate against any potential reduction in funding from central government.

The Trustees regard the health and safety of children as being of paramount importance and ensure staff are vetted by the Disclosure and Barring Service.

OBJECTIVES AND ACTIVITIES

Calderdale Music Trust aims to promote and support the highest quality music education for all. The company exists for the advancement of public education in all aspects of music in the Borough of Calderdale. In practice Calderdale Music Trust provides the delivery of the Local Authority's music service. Calderdale Music Trust aims to provide a safe and encouraging environment where young people are nurtured and their achievements celebrated.

Calderdale Music Education Hub funding is spent in accordance with Arts Council England guidelines and will support the following priorities from 'The Importance of Music: A National Plan for Music Education.'

Core roles
a) Ensure that every child aged 5 to 18 has the opportunity to learn a musical instrument.
b) Provide opportunities to play in ensembles and to perform from an early stage.
c) Ensure that clear progression routes are available and affordable to all young people.
d) Develop a singing strategy to ensure that every pupil sings regularly and that choirs and other vocal ensembles are available in the area.

Extension roles
a) Offer CPD training to music teachers.
b) Provide an instrument loan service, with discounts or free provision for those on low incomes.
c) Provide access to large scale and/or high quality music experiences for pupils, working with professional musicians and/or venues.

STRATEGIC REPORT

The following sections for achievements and performance and financial review form the strategic report of the charity.

ACHIEVEMENTS AND PERFORMANCE

2020/21 has been a challenging period due to the ongoing impact caused by COVID-19, however, Calderdale Music Trust has been resilient and continued to make a positive impact on the advancement of excellent music education for the children and young people in Calderdale.

Relationships with schools have continued to improve. Twenty four schools engaged with Calderdale Music Trust for Whole Class Ensemble and School Curriculum provision and a further two schools requested Ensemble and Instrumental provision in September 2020. An additional two schools completed an SLA for Whole Class Ensemble and School Curriculum Tuition but were required to put this on hold by their Governing Body or Multi Academy Trust due to COVID. This compared to fifty schools that engaged with Whole Class Tuition prior to COVID.

Despite COVID-19, September 2020 saw Calderdale Music Trust's employed Music Leaders commence working in schools and teaching remotely. This employed model has enabled Calderdale Music Trust to develop a work force that has the ability, skills and training to deliver the organisation's vision and key objectives.

The key objectives are to provide excellent music and arts education for everyone in Calderdale, engage with and have an active partnership with 100% of schools, academies and other education providers and institutions, be recognised throughout the region for excellence in all areas of provision and to lead on national initiatives, partnerships and opportunities.

September 2020 also saw the implementation of the revised Service Level Agreement for schools. This saw the introduction of 'Whole Class Ensemble and School Curriculum' tuition and was offered for the whole school year. This was in response to feedback from schools and also specified that pupils would learn a musical instrument for at least one term, ensuring full compliance with Art Council requirements for Whole Class Ensemble Teaching. This replaced the eleven free weeks of Whole Class Ensemble Teaching offer.

Throughout 2020-2021, the organisation made effective use of the Flexible Programme of Activity as set out in the Business Stabilisation Plan. Despite a number of lockdowns, school closures and bubble closures, Calderdale Music Trust were able to maintain an effective level of provision through a modified face to face curriculum together with a detailed Risk Assessment, and online tuition.

At the start of COVID-19, 1:1 tuition numbers had fallen from 650 to just 91. A number of strategies were employed to improve these as part of the Business Recovery Plan which later became the Business Stabilisation Plan. These included the implementation of our high quality Whole Class Ensemble and School Curriculum Provision, free instrument hire for schools, two online Live Music in Schools broadcast live from Heath Campus events alongside eight face to face Live Music in Schools events in schools throughout July 2021. By the end of July 2021, there were 273 pupils receiving face to face 1:1 tuition and 59 pupils remained online.

Due to the continuing successes and expansion of Whole Class Ensemble Tuition and 1:1 tuition, the organisation ran two recruitment campaigns throughout the period. In January 2021, two guitar Music Leaders commenced employment with the Trust and in June 2021, a further three Music Leaders with specialisms in brass, guitar and piano were appointed and due to start employment in September 2021.

As the number of Music Leaders increased, the Trust implemented the next steps of the organisation leadership structure. Two internal Music Leaders were appointed as Temporary Acting-up middle leadership positions and the existing Temporary Acting Up positions of Assistant Principal and Business Manager were made permanent.

A full organisation rebranding exercise has taken place throughout 2020-21. The Other Person and Flic were appointed to lead Calderdale Music Trust through the process which would involve the following stages of Brand Discovery, Initial Brand Visualisation and Direction and Implementation and Designing Assets. The Brand Discovery stage saw detailed interviews and surveys taking place with a range of stakeholders including Calderdale Music Trust staff and Trustees, schools, community organisations, parents and pupils. The 2nd stage to identify the Initial Brand Visualisation and Direction has already commenced with the final stage anticipated to be completed by the end of October 2021.

Calderdale Music Trust continued to strengthen relationships with the Calderdale School Effectiveness Service throughout 2020-21. This included regular attendance at the termly Cluster and Hub meetings, leading a number of CPD events which included 'Let's Talk About Music' and 'Leadership of Music' which attracted more than thirty schools and formal partnerships were established with the three Teaching Hubs in Calderdale.

Working to achieve the objective of engaging and supporting disadvantaged and vulnerable children, Calderdale Music Trust were part of a formal partnership between Rochdale and Rotherham Music Services to create an Inclusion Strategy. This work was funded following a successful joint bid to Youth Music. Rezina Kelly Consultancy was awarded the contract to create the strategy which would create an individual strategy for each Music Education Hub. This strategy has now been created and is awaiting approval by the Calderdale Music Trust Board of Trustees.

The Heath Campus had become no longer fit for purpose for Calderdale Music Trust. The Board of Trustees were very supportive in a quest to find alternative and suitable accommodation for the future vision of the Trust to be realised. The Business Manager successfully found a suitable building at the Old Courthouse premises in central Halifax. These have been refurbished to a very high standard and Calderdale Music Trust moved into the premises in July 2021. The accommodation comprises four 1:1 teaching spaces, a dedicated ensemble rehearsal room, a large ensemble rehearsal room which will also be a high tech conference facility, a media teaching suite of seventeen iMac computers, a large multi-purpose performance area with conference facilities and numerous offices. There is also the potential to establish a small coffee facility and small music shop on the ground floor.

Due to the changes in leadership, the improved relationships and offer to schools, improved communication and emerging rebrand, high quality CPD, partnerships with Calderdale School Effectiveness Service, the number of School Music Education Plans that were carried out in 2020-21 increased to 85%. This is an increase from 80% in 2019-20. At the end of the academic year 2020-21, Calderdale Music Trust had maintained or developed an effective relationship with 90% of all schools through the Core or Extension Roles.

FINANCIAL REVIEW

During the 8-month period unrestricted income exceeded expenditure by £14,151 (Year ended 31 July 2020 - deficit - £9,650). The total funds of the Charity have increased from £828,017 to £842,168. Free reserves at 31 March 2021, after accounting for restricted funds and reserves represented by fixed assets were £649,922 (31 July 2020 - £675,230). The restricted fixed asset fund represents musical instruments, fixture and fittings and computer equipment transferred to Calderdale Music Trust Limited from Calderdale MBC in 2015, less depreciation charges.

Reserves at the end of the period were £842,168 which are to be used to finance additional projects, trading in the ensuing year and as backup reserve.

Principal funding sources

The main sources of funding are from Service Level Agreements with the Arts Council and pupil tuition. Arts Council currently represents 63% of total income. Pupil tuition accounts for 34% of the total income and a further 3% of total income is obtained from other income sources.

Investment policy

Aside from retaining a prudent amount in reserves each year most of the Charity's funds are to be spent in the short term so there are few funds available for long term investment. Having considered the options available, the Calderdale Music Trust Directors has decided to invest amount available in a short term interest bearing account.

Reserves policy

The Directors have examined the charity's requirements for reserves in light of the main risks to the organisation and have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be in the region of nine months expenditure, in view of current economic and Covid-19 difficulties, which amounts to approximately £400,000. Unrestricted funds are £730,768 including fixed assets of £80,846 leaving free reserves of £649,922. Restricted funds amount to £111,400.

Whilst this is higher than current policy, it is the intention of Trustees that they need to look to the long-term future of Calderdale Music Trust both from a provision of service and building utilisation perspective. Calderdale Music Trust moved to new premises in July 2021and work is continuing on refurbishing the building. The surplus fund are required to continue the refurbishment of the new premises and to enable Calderdale Music Trust to respond to changes within the DfE.

PLANS FOR FUTURE PERIODS

The recent move from self-employed tutors to employed Music Leaders, relocation from Heath Campus to the Old Courthouse, simplified pricing structure and SLA, organisation wide rebranding, the development and implementation of an Inclusion Strategy and continually improving relationships and engagement with stakeholders gives Calderdale Music a very clear direction when setting priorities and plans for the future. These are to continue to develop and embed excellent teaching and learning in all aspects of our delivery, to ensure that we provide a wide range of high quality inclusive music and arts opportunities and experiences for all children, young people and adults throughout Calderdale and to continuously review our financial strategy to provide good value for money whilst ensuring the long term stability and viability of the organisation.

TRUSTEES' RESPONSIBILITIES

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 applicable Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

The trustees' annual report and the strategic report were approved on 29 September 2021 and signed on behalf of the board of trustees by:

D J HEYWOOD
Principal

CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CALDERDALE MUSIC TRUST LIMITED

PERIOD FROM 1 AUGUST 2020 TO 31 MARCH 2021

I report to the trustees on my examination of the financial statements of Calderdale Music Trust Limited ('the charity') for the period 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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.

E A Short FCA
Independent Examiner

Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

PERIOD FROM 1 AUGUST 2020 TO 31 MARCH 2021

		Period from 1 Aug 20 to 31 Mar 21			Year to 31 Jul 20
	Note	Unrestricted funds £	Restricted funds £	**Total funds £**	Total funds £
Income and endowments					
Donations and legacies	**5**	12,503	232,861	**245,364**	357,671
Charitable activities	**6**	125,095	–	**125,095**	228,655
Total income		137,598	232,861	**370,459**	586,326
Expenditure					
Expenditure on charitable activities	**7,8**	119,504	236,804	**356,308**	595,976
Total expenditure		119,504	236,804	**356,308**	595,976
Net income/(expenditure) and net movement in funds		18,094	(3,943)	**14,151**	(9,650)
Reconciliation of funds					
Total funds brought forward		712,674	115,343	**828,017**	837,666
Total funds carried forward		730,768	111,400	**842,168**	828,017

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

The notes on pages 12 to 23 form part of these financial statements.

CALDERDALE MUSIC TRUST LIMITED
(Company registration number: 08597862)

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 MARCH 2021

	Note	31 Mar 21 £	31 Mar 21 £	31 Jul 20 £	31 Jul 20 £
FIXED ASSETS					
Tangible fixed assets	14		186,735		152,787
CURRENT ASSETS					
Debtors	15	21,197		18,152	
Cash at bank and in hand		707,422		751,611	
		728,619		769,763	
CREDITORS: amounts falling due within one year	16	73,186		94,533	
NET CURRENT ASSETS			655,433		675,220
TOTAL ASSETS LESS CURRENT LIABILITIES			842,168		828,017
NET ASSETS			842,168		828,017
FUNDS OF THE CHARITY					
Restricted funds			111,400		115,343
Unrestricted funds			730,768		712,674
Total charity funds	20		842,168		828,017

For the period 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 period 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 29 September 2021, and are signed on behalf of the board by:

D J Heywood

D J HEYWOOD
Principal

The notes on pages 12 to 23 form part of these financial statements.

1. 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 The Old Magistrates Court, Blackwall, Halifax, West Yorkshire, HX1 2DL

2. 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.

3. 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 measured at fair value through income or expenditure.

Going concern

From the review of forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to confine in operational existence for the foreseeable future. The Trustees has therefore continued to adopt the going concern basis in preparing the financial statements.

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.

There are not considered to be any judgments or accounting estimates or assumptions that have a significant impact on the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose.

3. ACCOUNTING POLICIES *(continued)*

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.

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.

3. ACCOUNTING POLICIES *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

All fixed assets are initially recorded at cost. Assets costing in excess of £1,000 intended to be of ongoing use to the charity in carrying out its activities are capitalised as fixed assets.

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:

Fixtures, fittings and equipment	-	25% reducing balance
Musical instruments	-	15 years
Computer equipment	-	25% straight line

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Grants receivable relating to Covid-19 are accounted for under the accrual method and recognised immediately as income in the Statement of Income and Retained Earnings.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

3. ACCOUNTING POLICIES *(continued)*

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Financial instruments

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

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

TPS

Retirement benefits to a director of the Calderdale Music Trust is provided by the Teachers' Pension Scheme (TPS).

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 quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Calderdale Music 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 recognised as they are paid each year.

4. LIMITED BY GUARANTEE

The company does not have a share capital being a company limited by guarantee. Individual trustee's liability is limited to a maximum of £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	**Period from 1 Aug 20 to 31 Mar 21 £**
GRANTS			
Grants receivable	–	232,861	**232,861**
Government grant income	12,503	–	**12,503**
	12,503	232,861	**245,364**

	Unrestricted Funds £	Restricted Funds £	Year to 31 Jul 2020 £
GRANTS			
Grants receivable	–	348,339	348,339
Government grant income	9,332	–	9,332
	9,332	348,339	357,671

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	**Period from 1 Aug 20 to 31 Mar 21 £**	Unrestricted Funds £	Year to 31 Jul 2020 £
School teaching income	62,763	**62,763**	92,387	92,387
Pupil Tuition	48,147	**48,147**	125,738	125,738
Concerts	–	**–**	74	74
Other income	8,185	**8,185**	455	455
Rock School & Virtual School	6,000	**6,000**	5,750	5,750
Room hire	–	**–**	4,251	4,251
	125,095	**125,095**	228,655	228,655

7. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	**Period from 1 Aug 20 to 31 Mar 21**
	£	£	**£**
Pupil tuition	10,977	64,289	**75,266**
Music centres	1,568	9,185	**10,753**
School teaching	13,589	79,595	**93,184**
Support costs	93,370	83,735	**177,104**
	119,504	236,804	**356,307**

	Unrestricted Funds	Restricted Funds	Year to 31 Jul 2020
	£	£	£
Pupil tuition	49,255	121,409	170,665
Music centres	7,036	17,344	24,380
School teaching	60,985	150,317	211,300
Support costs	107,823	81,806	189,631
	225,099	370,876	595,976

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	**Period from 1 Aug 20 to 31 Mar 21**	Year to 31 Jul 2020
	£	£	**£**	£
Pupil tuition	75,266	70,884	**146,383**	248,118
Music centres	10,753	10,126	**20,646**	35,446
School teaching	93,184	87,759	**180,943**	307,193
Governance costs	–	8,336	**8,336**	5,219
	179,203	177,105	**356,308**	595,976

9. ANALYSIS OF SUPPORT COSTS

Support costs attributable to more than one activity are allocated in proportion to staff time spent on the activities. The proportions are, 42% pupils, 6% music centre and. 52% teaching for schools.

	Pupil tuition	Music centres	School teaching	**Period from 1 Aug 20 to 31 Mar 21**	Year to 31 Jul 2020
	£	£	£	**£**	£
Staff costs	28,260	4,037	34,988	**67,285**	76,667
Premises	21,103	3,015	26,128	**50,246**	35,831
Communications and IT	776	111	960	**1,847**	4,276
Depreciation	5,214	745	6,455	**12,414**	19,702
Legal and professional fees	2,793	399	3,457	**6,649**	6,062
Finance costs	352	50	436	**838**	1,818
Insurance	1,984	283	2,456	**4,723**	5,716
Travelling	69	10	86	**165**	2,893
Postage and stationery	370	53	458	**881**	2,074
Advertising	1,877	268	2,324	**4,469**	5,048
Computer and software	2,187	312	2,707	**5,206**	14,271
Miscellaneous expenses	748	107	927	**1,782**	1,029
Training costs	1,688	241	2,090	**4,019**	2,163
Subscriptions	3,406	487	4,217	**8,110**	6,595
Repairs and renewals	57	8	70	**135**	269
	70,884	10,126	87,759	**168,769**	184,414
Governance costs	3,501	500	4,335	**8,336**	5,217
	74,385	10,626	92,094	**177,105**	189,631

10. NET INCOME/(EXPENDITURE)

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

	31 Mar 21	31 Jul 20
	£	£
Depreciation of tangible fixed assets	**12,414**	19,702

11. INDEPENDENT EXAMINATION FEES

	Period from 1 Aug 20 to 31 Mar 21 £	Year to 31 Jul 20 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	**3,000**	2,950
Other financial services	**2,336**	2,267
	5,336	5,217

12. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Period from 1 Aug 20 to 31 Mar 21 £	Year to 31 Jul 20 £
Wages and salaries	**195,365**	210,724
Social security costs	**15,901**	17,438
Employer contributions to pension plans	**14,757**	22,391
Bought in tutors	**7,964**	184,885
Ex gratia payment	**–**	35,000
	233,987	470,438

The average head count of employees during the period was 14 (2020: 8). The average number of full-time equivalent employees during the period is analysed as follows:

	31 Mar 21 No.	31 Jul 20 No.
Management and administration	**4**	4
Music leaders	**8**	4
	12	8

The number of employees whose remuneration for the period fell within the following bands, were:

	31 Mar 21 No.	31 Jul 20 No.
£60,000 to £69,999	**–**	1

Key Management Personnel

Key Management Personnel

The key management personnel of the Trust comprise the trustees and the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £47,441 (Year to 31 July 2020: £72,713).

13. TRUSTEE REMUNERATION AND EXPENSES

Under the provisions of the Governing document, Mr D Heywood (trustee) is employed by the Charity to teach music to young persons in accordance with the objectives of the Charity and has been paid a salary of and £35,095 (Year ended 31 July 2020: £8,774), in respect of those services.

Pension contributions were also paid of £8,311. (Year to 31 July 2020 - £2,078)

These trustees only receive remuneration in respect of services they provide undertaking the roles of teaching and not in respect of their services as a trustee.

Other trustees did not receive any payments from Calderdale Music Trust in respect of their role as trustees.

No expenses were paid to the trustees during the period. (Year to 31 July 2020: £NIL).

14. TANGIBLE FIXED ASSETS

	Short leasehold improvements £	Fixtures & fittings £	Musical instruments £	Computers £	Total £
Cost					
At 1 August 2020	–	58,970	218,351	7,120	**284,441**
Additions	32,628	–	6,933	6,801	**46,362**
At 31 March 2021	32,628	58,970	225,284	13,921	**330,803**
Depreciation					
At 1 August 2020	–	47,839	79,260	4,555	**131,654**
Charge for the period	–	1,856	9,972	586	**12,414**
At 31 March 2021	–	49,695	89,232	5,141	**144,068**
Carrying amount					
At 31 March 2021	32,628	9,275	136,052	8,780	**186,735**
At 31 July 2020	–	11,131	139,091	2,565	152,787

15. DEBTORS

	31 Mar 21 £	31 Jul 20 £
Trade debtors	**10,980**	7,957
Prepayments and accrued income	**10,217**	10,195
	21,197	18,152

16. CREDITORS: amounts falling due within one year

	31 Mar 21	31 Jul 20
	£	£
Trade creditors	55,864	3,411
Accruals and deferred income	7,479	63,719
Social security and other taxes	7,339	2,281
Other creditors	2,504	25,122
	73,186	94,533

17. DEFERRED INCOME

	31 Mar 21	31 Jul 20
	£	£
At 1 Aug 20	57,164	55,669
Amount released to income	(57,164)	(55,669)
Amount deferred in period	–	57,164
At 31 Mar 21	–	57,164

Deferred income within accruals and deferred income included in note 16 is made up of:

Arts Council funding received in advance of the financial year was £NIL (2020: £55,669).

18. PENSIONS AND OTHER POST RETIREMENT BENEFITS

A Calderdale Music Trust Director belong to the Teachers' Pension Scheme, England and Wales (TPS) which is a multi-employer defined-benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The outstanding contributions of £17 (Year to 31 July 2020: £828) were paid in August 2021.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go 'basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the teachers' pension scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses. The next valuation is expected to take effect in 2023. A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website

https://www.teacherspensions.co.uk/

Scheme changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

Defined contributions plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £15,901 (Year to 31 July 2020 - £17,438)

19. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	31 Mar 21	31 Jul 20
	£	£
Recognised in income from donations and legacies:		
Government grants income	**12,503**	9,332

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 Aug 2020	Income	Expenditure	Transfers	At 31 Mar 2021
	£	£	£	£	£
General funds	712,674	137,598	(119,504)	–	**730,768**

	At 1 Aug 2019	Income	Expenditure	Transfers	At 31 Jul 2020
	£	£	£	£	£
General funds	707,322	237,987	(225,099)	(7,536)	712,674

Restricted funds

	At 1 Aug 2020	Income	Expenditure	Transfers	At 31 Mar 2021
	£	£	£	£	£
Fixed asset fund	115,343	–	(9,454)	–	**105,889**
Arts Council England	–	232,861	(227,350)	–	**5,511**
	115,343	232,861	(236,804)	–	**111,400**

	At 1 Aug 2019	Income	Expenditure	Transfers	At 31 Jul 2020
	£	£	£	£	£
Fixed asset fund	130,344	–	(15,001)	–	115,343
Arts Council England	–	348,339	(355,875)	7,536	–
	130,344	348,339	(370,876)	7,536	115,343

The restricted fixed asset fund represents musical instruments, fixtures and fittings and computers transferred to Calderdale Music Trust from Calderdale MBC in 2015, less depreciation charges.

Arts Council England is a grant towards the costs of extending the delivery of Music education hub activity.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Tangible fixed assets	80,846	105,889	**186,735**
Current assets	723,108	5,511	**728,619**
Creditors less than 1 year	(73,186)	–	**(73,186)**
Net assets	730,768	111,400	**845,168**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	37,444	115,343	152,787
Current assets	769,763	–	769,763
Creditors less than 1 year	(94,533)	–	(94,533)
Net assets	712,674	115,343	828,017

22. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	31 Mar 21 £	31 Jul 20 £
Not later than 1 year	**29,250**	–
Later than 1 year and not later than 5 years	**234,000**	–
	263,250	–

23. RELATED PARTIES

During the year, the charity commissioned consultancy work relating to Youth Music Hubs from Rezina Kelly, a trustee. The total value of work done was £3,000 and this amount remains outstanding at the year end. This work was done on an arms-length basis in accordance with normal market terms.

Calderdale Music Limited

England & Wales - Charity number 1154343

Accounts

CALDERDALE MUSIC TRUST

LIMITED

ACCOUNTS

31 JULY 2020

Company Registration Number 08597862

Charity Number 1154343

Spenser Wilson

Chartered Accountants & Business Advisers

CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2020

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CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 31 JULY 2020

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 July 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Calderdale Music Trust Limited	
Charity registration number	1154343	
Company registration number	08597862	
Principal office and registered office	Heath Training And Development Centre Free School Lane Halifax West Yorkshire HX1 2PT	
THE TRUSTEES	C Wightman (Primary School Headteacher)	
	S Wild (Leeds Arts Form)	
	K Rivett	(Retired 30 April 2020)
	P N Brennan (Education Consultant)	
	T Gwynn (Eureka Manager)	(Retired 13 March 2020)
	P Reynoldson (Rochdale Music Service)	
	S P Jones	(Appointed 20 November 2019)
	D J Heywood (CMT Principal)	(Appointed 9 June 2020)
	R Kelly	(Appointed 20 November 2019)
	S R Lone	(Appointed 20 November 2019)
	A J Sapey	
Independent examiner	E A Short FCA Equitable House 55 Pellon Lane Halifax West Yorkshire HX1 5SP	
Bank	Lloyds Bank Commercial Street Halifax HX1 1BB	
Solicitor	Wilhinson Woodward 11 Fountain Street Halifax HX1 1LU	

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 4 July 2013 and registered as a charity on 25 October 2013. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under the Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Board of Trustees are responsible for the overall strategy of the company. The Board meets termly and is chaired Peter Reynoldson. The CMT Principal is responsible for the day to day management.

Calderdale Music Trust is committed to ensuring that we pay our staff and self-employed tutors fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The appropriateness of staff remuneration is reviewed annually, including reference to comparisons with similar organisations ensuring CMT remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

Recruitment and appointment of trustees

All the Company Directors are also Trustees of the Charity. The Principal of the Trust is also a Company Director and Charity Trustee. The trustees may appoint one or more sub-committees to carry out any duty which in the opinion of the trustees would be more conveniently undertaken by a sub-committee, who would then in turn report to the trustees.

Trustees are recruited by the Board to always ensure that the Board has expertise across all areas of the interest of CMT. A skills audit will be completed when necessary to highlight the areas of expertise that may need strengthening. The recommended processes from the Arts Council will be followed. The development of the Board is crucial to CMT's future sustainability and essential for ensuring it is fit for purpose. The Board is also sourcing expertise.

Trustee induction and training

On appointment a trustee is given an information pack that includes the Memorandum and Articles of Association and the latest accounts. Training needs are assessed and met as required. At the first trustees meeting after the Annual General Meeting, all trustees are reminded of their responsibilities and new trustees provided with a copy of CC3: Responsibilities of the Charity Trustees. The trustees discuss and update the company's future plans and objectives document.

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed, a risk register is maintained identifying financial, regulatory, business and operational risks and where appropriate, systems or procedures have been established to mitigate the risks the charity faces and additional policies put in place where required.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The Trustees have considered the risks facing CMT and believe the main risk is ensuring there is continuing funding from the Arts Council. Plans are being made to mitigate against any potential reduction in funding from central government.

The Trustees regard the health and safety of children as being of paramount importance and ensure staff are vetted by the Disclosure and Barring Service.

OBJECTIVES AND ACTIVITIES

Calderdale Music Trust aims to promote and support the highest quality music education for all. The company exists for the advancement of public education in all aspects of music in the Borough of Calderdale. In practice Calderdale Music Trust provides the delivery of the Local Authority's music service. CMT aims to provide a safe and encouraging environment where young people are nurtured, and their achievements celebrated.

Calderdale Music Education Hub funding is spent in accordance with Arts Council England guidelines and will support the following priorities from 'The Importance of Music: A National Plan for Music Education.'

Core roles
a) Ensure that every child aged 5 to 18 has the opportunity to learn a musical
b) Provide opportunities to play in ensembles and to perform from an early stage
c) Ensure that clear progression routes are available and affordable to all young people.
d) Develop a singing strategy to ensure that every pupil sings regularly and that choirs and other vocal ensembles are available in the area.

Extension roles
a) Offer CPD training to music teachers.
b) Provide an instrument loan service, with discounts or free provision for those on low incomes.
c) Provide access to large scale and/or high quality music experiences for pupils, working with professional musicians and/or venues.

STRATEGIC REPORT

The following sections for achievements and performance and financial review form the strategic report of the charity.

ACHIEVEMENTS AND PERFORMANCE

Throughout 2019/20, there have been several significant changes at Calderdale Music Trust, including the impact of COVID-19. In April 2020, the outgoing CEO of Calderdale Music Trust retired and was replaced by the new permanent appointment of a Principal from June 2020.

Relationships with schools continue to be effective. 3 new employed Music Leaders commenced working for Calderdale Music Trust in September 2019. The Music Leaders had specific areas responsibility for WCET, SMEPs, the Singing Strategy and Ensemble/Instrumental development. This led to a full review of the instrumental and ensemble provision at Calderdale Music Education Hub. Several high-profile events were created that engaged with a large number of schools in different settings throughout the whole of Calderdale. These should have culminated in performances from both instrumental ensembles and massed vocal ensembles at the Victoria Theatre in June and November 2020 and the Bridgewater Hall in 2021. Unfortunately, these events were cancelled due to COVID-19. COVID-19 has also given the opportunity to pause and reflect on the entire instrumental and ensemble provision offered both by Calderdale Music Trust and Calderdale Music Education Hub.

Since being established in 2015, Calderdale Music Education Hub has used a self-employed workforce to deliver the majority of its provision. In June and July 2020, Calderdale Music Trust undertook a recruitment campaign which led to the appointment of 10 employed Music Leaders who had all previously worked as self-employed tutors. The main catalyst for this process was to ensure a high-quality provision is delivered throughout Calderdale.

Calderdale Music Education Hub have continued their journey of self-improvement throughout 2019/20. In the most recent Milestone Plan, Calderdale Music Education Hub achieved engagement in WCET in 49% of schools and the Singing Strategy in 71.5% of schools. Further plans were already in place to achieve a new aspirational target of engagement of WCET in 55% and the Singing Strategy in 75% of schools by July 2020. Unfortunately, due to COVID-19, it was not possible to achieve the target at this time. Such improvements in WCET provision were addressed through the 11 weeks 'free' offer and £300 support offer to schools that are delivering their own WCET provision.

In January 2019, a review of the existing Service Level Agreements and provision was undertaken with a range of stakeholders including Headteachers. The outcomes from the review included the requirement for Whole Class Ensemble Teaching provision to be clearer in its intent, implementation, and impact. It also needed to form part of a school's broad and balanced curriculum. The pricing structure also needed to be simplified with greater transparency in terms of Arts Council discounts and support. This resulted in a brand-new Service Level Agreement being created for schools from September 2020.

From the 2018/19 Annual Return, Calderdale Music Education Hub have improved in continuation from 12% to 27% in March 2020. This was partly achieved through effective delivery of Whole Class Ensemble Teaching with clear progression routes embedded within the offer to schools. There has also been a significant improvement in the quality of relationships with schools to further the opportunities for progression within Calderdale Music Education Hub. Engagement in Core Roles increased from 55.9% in 2018/19 to 88% in March 2020. The newly appointed Music Leaders from September 2019 with responsibility for Whole Class Ensemble Teaching, developed a range of materials to promote and support progression in Whole Class Ensemble Teaching. These materials have provided a robust platform for a new Whole Class Ensemble curriculum to be developed which include resources to

measure and demonstrate effective progression in the classroom. As part of the needs analysis survey and research with headteachers, Calderdale Music Education Hub identified several additional areas where progression could be developed further. Opportunities for performing are key to ensuring effective progression as part of the planned delivery model and a wide range of opportunities were created. This included peer performances in the classroom, larger performances in school such as assemblies, opportunities to perform at local theatres such as Todmorden's Hippodrome Theatre in addition to large scale events such as the Victoria Theatre in in Halifax and The Bridgewater Hall in Manchester.

COVID-19 has had a significant effect on delivery and provision. Service Level Agreements are more than 50% lower than the same period in 2019. Currently 28 schools are engaging in Whole Class Ensemble Teaching compared to 58 schools in September 2019. There are currently 91 pupils engaging in instrumental tuition which has reduced since the lockdown period ended due to children and young people returning to school. This compares to 650 pupils in September 2019.

Calderdale Music Education Hub had been exploring remote online interactive tuition prior to COVID-19, however, the lockdown in March forced measures to be implemented far quicker than previously planned. A number of platforms were trialled for online provision in addition to a number of CPD sessions for tutors. The first online sessions were delivered straight after the Easter break 2020. These were offered to all pupils at a significantly subsidised rate of £6.50 per 20 minute individual lesson. Pupils in receipt of the Pupil Premium Grant funding were eligible to receive remote interactive online tuition at no cost. This proved to be very successful and will now form part of the standard SLA to schools and option for parents at home although the subsidised rate is due to expire from November 2020. 186 pupils engaged with Calderdale Music Education Hub's remote interactive online tuition of which 6 were eligible for lessons at no cost.

Regular email communications took place with all stakeholders throughout 2019- 2020. These increased during the lockdown period to ensure that schools, parents, tutors and the wider community were well informed on any developments or progress. Many of these communications were about significant changes and developments taking place at Calderdale Music Trust including the appointment of a new Principal and the transition and recruitment of self-employed tutors to employed Music Leaders. This required a a new Communication Strategy and Plan to be created which now forms part of the Business Stabilisation Plan.

Through a developing partnership with the Calderdale School Effectiveness Service, Calderdale Music Trust were able to create a strategy to support schools through a structured CPD programme for the first time. Through both Primary and Secondary network meetings, the needs of schools and music coordinators were identified and a clear action plan with timescales was implemented. The areas of support given included leadership of music in schools, specialist music teaching, curriculum design, the recovery curriculum, identifying gaps in learning, non-specialist teaching and resources. Calderdale Music Education Hub is now part of the Calderdale School Effectiveness Service Cluster Group. Due to an improved relationship with schools through the CPD activities, there has been a significant increase in engagement with School Music Education Plans. Increasing from 33% in the 2017/18 Annual Data Return to 66.02% in the 2018/19 Annual Data Return, 80% of schools have now engaged in School Music Education Plans in Calderdale.

Public Benefit statement
Calderdale Music Trust benefits the public by operating music centres and providing music education to the young people of Calderdale.

The Trustees have referred to the information contained in the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The Directors are satisfied that Calderdale Music Trust provides a public benefit in accordance with the Charity Commission's guidance.

GOING CONCERN

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

FINANCIAL REVIEW

During the year unrestricted income exceeded expenditure by £12,888 (2019 - £170,078). The total funds of the Charity have decreased from £837,666 to £828,017. Free reserves at 31 July 2020, after accounting for restricted funds and reserves represented by fixed assets were £675,230 (2019 - £668,765).

The restricted fixed asset fund represents musical instruments, fixture and fittings and computer equipment transferred to Calderdale Music Trust Limited from Calderdale MBC in 2015, less depreciation charges. There was a transfer made between the unrestricted funds and the Arts Council restricted fund of £7,536 so as to not leave the restricted fund in deficit.

Reserves at the end of the year were £828,017 which are to be used to finance additional projects, trading in the ensuing year and as backup reserve.

Principal funding sources
The main sources of funding are from grants from the Arts Council and pupil and school tuition. Arts Council currently represents 59% of total income. Pupils and school tuition accounts for 37% of the total income and a further 4% of total income is obtained from other income sources.

Reserves policy

The Directors have examined the charity's requirements for reserves in light of the main risks to the organisation and have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between six and nine months expenditure, in view of current economic difficulties, which amounts to approximately £450,000. Unrestricted funds are £712,674 including fixed assets of £37,444 leaving free reserves of £675,230. Restricted funds amount to £115,343.

Whilst this is higher than current policy, it is the intention of Trustees that they need to look to the long-term future of CMT both from a provision of service and building utilisation perspective. Therefore, the trustees are starting to accumulate reserves to enable them to respond to changes within the DfE and to changes that may be required to the premises and facilities.

PLANS FOR FUTURE PERIODS

Our plans for the coming year are designed to allow CMT to continue to function successfully both as a deliverer of high-quality music education and as a trust mindful of its responsibilities to its employees, its clients and its future. Our fundraising initiatives will aim to support bursaries for children with challenging financial circumstances, this will be led through the development of an Inclusion Strategy with an Inclusion Consultant. We will focus on developing our activities to support the Hub's four core roles and three extension roles in addition to a proposed move to new premises.

TRUSTEES' RESPONSIBILITIES

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 applicable Charities SORP;

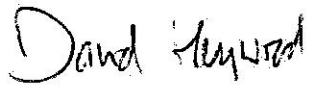
" make judgments and accounting estimates that are reasonable and prudent;

" state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

" prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

The trustees' annual report and the strategic report were approved on 25 November 2020 and signed on behalf of the board of trustees by:



D J HEYWOOD
Trustee

CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CALDERDALE MUSIC TRUST LIMITED *(continued)*

YEAR ENDED 31 JULY 2020

I report to the trustees on my examination of the financial statements of Calderdale Music Trust Limited ('the charity') for the year ended 31 July 2020.

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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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 Charities SORP (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.

E A SHORT FCA
Independent Examiner

Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 JULY 2020

	Note	2020 Unrestricted funds £	2020 Restricted funds £	2020 **Total funds** £	2019 Total funds £
Income and endowments					
Donations and legacies	**5**	9,332	348,339	**357,671**	339,133
Charitable activities	**6**	228,655	–	**228,655**	375,317
Total income		237,987	348,339	**586,326**	714,450
Expenditure					
Expenditure on charitable activities	**7,8**	225,099	370,876	**595,975**	632,970
Total expenditure		225,099	370,876	**595,975**	632,970
Net (expenditure)/income		12,888	(22,537)	**(9,649)**	81,480
Transfers between funds		(7,536)	7,536	–	–
Net movement in funds		5,352	(15,001)	**(9,649)**	81,480
Reconciliation of funds					
Total funds brought forward		707,322	130,344	**837,666**	756,186
Total funds carried forward		712,674	115,343	**828,017**	837,666

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 12 to 23 form part of these financial statements.

CALDERDALE MUSIC TRUST LIMITED

Company Number: 08597862

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 JULY 2020

	Note	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible fixed assets	**14**		**152,787**		168,901
CURRENT ASSETS					
Debtors	**15**	**18,152**		36,883	
Cash at bank and in hand		**751,611**		714,439	
		769,763		751,322	
CREDITORS: amounts falling due within one year	**16**	**94,533**		82,557	
NET CURRENT ASSETS			**675,230**		668,765
TOTAL ASSETS LESS CURRENT LIABILITIES			**828,017**		837,666
NET ASSETS			**828,017**		837,666
FUNDS OF THE CHARITY					
Restricted funds			**115,343**		130,344
Unrestricted funds			**712,674**		707,322
Total charity funds	**20**		**828,017**		837,666

For the year ending 31 July 2020 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 25 November 2020, and are signed on behalf of the board by:

David Heywood

D J HEYWOOD
Trustee

The notes on pages 12 to 23 form part of these financial statements.

CALDERDALE MUSIC TRUST LIMITED

COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

YEAR ENDED 31 JULY 2020

	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (expenditure)/income	**(9,649)**	81,480
Adjustments for:		
Depreciation of tangible fixed assets	**19,702**	19,676
Government grant income	**(9,332)**	–
Accrued expenses/(income)	**11,378**	(2,535)
Changes in:		
Trade and other debtors	**3,147**	(2,242)
Trade and other creditors	**16,182**	12,620
Cash generated from operations	**31,428**	108,999
Net cash from operating activities	**31,428**	108,999
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	**(3,588)**	(14,388)
Net cash used in investing activities	**(3,588)**	(14,388)
CASH FLOWS FROM FINANCING ACTIVITIES		
Government grant income	**9,332**	–
Net cash from financing activities	**9,332**	–
NET INCREASE IN CASH AND CASH EQUIVALENTS	**37,172**	94,611
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**714,439**	619,828
CASH AND CASH EQUIVALENTS AT END OF YEAR	**751,611**	714,439

The notes on pages 12 to 23 form part of these financial statements.

1. 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 Heath Training And Development Centre, Free School Lane, Halifax, West Yorkshire, HX1 2PT.

2. 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.

3. 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 measured at fair value through income or expenditure.

Going concern

From the review of forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to confine in operational existence for the foreseeable future. The Trustees has therefore continued to adopt the going concern basis in preparing the financial statements.

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.

There are not considered to be any judgments or accounting estimates or assumptions that have a significant impact on the financial statements.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose.

3. ACCOUNTING POLICIES *(continued)*

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.

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.

3. ACCOUNTING POLICIES *(continued)*

Tangible assets

All fixed assets are initially recorded at cost. Assets costing in excess of £1,000 intended to be of ongoing use to the charity in carrying out its activities are capitalised as fixed assets.

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:

Fixtures, fittings and equipment	- 25% reducing balance
Musical instruments	- 15 years
Computer equipment	- 25% straight line

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.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Grants receivable relating to Covid-19 are accounted for under the accrual method and recognised immediately as income in the Statement of Financial Activities. Where applied for and received these grants include payments under the Coronavirus Job Retention Scheme (furlough payments), Small Business Grant and interest paid by the Government during the first 12 months of Bounce Bank Loans.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

3. ACCOUNTING POLICIES *(continued)*

Taxation

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Financial instruments

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

Defined contribution plans

Retirement benefits to directors of the Calderdale Music Trust are provided by the Teachers' Pension Scheme (TPS).

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 quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Academy 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 recognised as they are paid each year.

4. LIMITED BY GUARANTEE

The company does not have a share capital being a company limited by guarantee. Individual trustee's liability is limited to a maximum of £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
GRANTS			
Grants receivable	–	348,339	**348,339**
Government grant income	9,332	–	**9,332**
	9,332	348,339	**357,671**

5. DONATIONS AND LEGACIES *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
GRANTS			
Grants receivable	–	339,133	339,133
Government grant income	–	–	–
	–	339,133	339,133

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
School teaching income	92,387	**92,387**	136,717	136,717
Pupil Tuition	125,738	**125,738**	210,764	210,764
Concerts	74	**74**	3,444	3,444
Other income	455	**455**	3,483	3,483
Rock School & Virtual School	5,750	**5,750**	11,317	11,317
Room hire	4,251	**4,251**	9,592	9,592
	228,655	**228,655**	375,317	375,317

7. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Teaching for pupils	49,255	121,409	**170,664**
Music centres	7,036	17,344	**24,380**
Teaching for schools	60,985	150,317	**211,302**
Support costs	107,823	81,806	**189,629**
	225,099	370,876	**595,975**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Teaching for pupils	43,459	200,745	244,204
Music centres	13,969	64,524	78,493
Teaching for schools	20,177	93,202	113,379
Support costs	127,634	69,260	196,894
	205,239	427,731	632,970

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	**Total funds 2020**	Total fund 2019
	£	£	**£**	£
Teaching for pupils	170,665	77,453	**248,118**	349,859
Music centres	24,380	11,066	**35,446**	112,456
Teaching for schools	211,300	95,893	**307,193**	162,433
Governance costs	–	5,219	**5,219**	8,222
	406,345	189,631	**595,976**	632,970

9. ANALYSIS OF SUPPORT COSTS

Support costs attributable to more than one activity are allocated in proportion to staff time spent on the activities. The proportions are 52% parents, 6% music centre and 42% schools.

	Teaching for pupils	Music centres	Teaching for schools	**Total 2020**	Total 2019
	£	£	£	**£**	£
Staff costs	32,200	4,600	39,867	**76,667**	53,695
Premises	15,049	2,150	18,632	**35,831**	34,038
Communications and IT	1,796	257	2,223	**4,276**	3,080
General office	8,275	1,182	10,245	**19,702**	19,677
Human resources	2,546	364	3,152	**6,062**	17,855
Finance costs	764	109	945	**1,818**	2,739
Governance costs	2,191	313	2,713	**5,217**	8,219
Insurance	2,401	343	2,972	**5,716**	5,231
Travelling	1,215	174	1,504	**2,893**	4,478
Postage and stationery	871	124	1,079	**2,074**	1,676
Advertising	2,120	303	2,625	**5,048**	16,154
Computer and software	5,994	856	7,421	**14,271**	12,105
Miscellaneous expenses	430	65	534	**1,029**	6,224
Training costs	908	130	1,125	**2,163**	3,649
Subscriptions	2,769	396	3,430	**6,595**	7,022
Repairs and renewals	113	16	140	**269**	1,050
	79,642	11,382	98,607	**189,631**	196,892

10. NET (EXPENDITURE)/INCOME

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

	2020	2019
	£	£
Depreciation of tangible fixed assets	**19,702**	19,676

11. INDEPENDENT EXAMINATION FEES

	2020	2019
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	**2,950**	2,340
Other financial services	**2,267**	2,608
	5,217	4,948

12. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	**210,724**	159,455
Social security costs	**17,438**	11,420
Employer contributions to pension plans	**22,391**	17,460
Bought in tutors	**184,885**	253,384
Ex gratia payments	**35,000**	–
	470,438	441,719

The ex gratia payment relates to £25,000 paid to Kevin Rivett as compensation for loss of office on 10th June 2020 and a further £10,000 to a singing leader also as compensation for loss of office on 28th October 2019.

Number of employees

The average head count of employees during the year was 8 (2019: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Management and administration	**4**	4
Music leaders	**4**	2
	8	6

The number of employees whose remuneration for the year fell within the following bands, were:

	2020	2019
	No.	No.
£60,000 to £69,999	**1**	–

Key Management Personnel

The key management personnel of the Trust comprise the Principals. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £79,811 (2019: £78,841)

13. TRUSTEES REMUNERATION AND EXPENSES

Under the provisions of the Governing document, Mr K Rivett and Mr D Heywood (trustees) are employed by the charity to act as Principal and teach music to young persons in accordance with the objectives of the Charity and have been paid a salary of £36,026 (2019: £48,071) and £8,774 (2019: £nil) respectively, in respect of those services.

Kevin Rivett also received £25,000 as compensation for loss of office.

Pension contributions were also paid on behalf of Kevin Rivett of £7,933 and David Heywood of £2,078.

These trustees only receive remuneration in respect of services they provide undertaking the roles as Principal and teacher and not in respect of their services as a trustee.

Other trustees did not receive any payments from Calderdale Music Trust in respect of their role as trustees.

No expenses were paid to the trustees during the year (2019: £1,492).

14. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Musical instruments £	Computers £	**Total £**
Cost				
At 1 August 2019	58,970	214,763	7,120	**280,853**
Additions	–	3,588	–	**3,588**
At 31 July 2020	58,970	218,351	7,120	**284,441**
Depreciation				
At 1 August 2019	44,102	64,776	3,074	**111,952**
Charge for the year	3,737	14,484	1,481	**19,702**
At 31 July 2020	47,839	79,260	4,555	**131,654**
Carrying amount				
At 31 July 2020	11,131	139,091	2,565	**152,787**
At 31 July 2019	14,868	149,987	4,046	168,901

15. DEBTORS

	2020	2019
	£	£
Trade debtors	**7,957**	11,221
Prepayments and accrued income	**10,195**	23,236
Directors loan account	**–**	2,426
	18,152	36,883

16. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	**3,411**	9,752
Accruals and deferred income	**63,719**	66,430
Social security and other taxes	**2,281**	3,996
Other creditors	**25,122**	2,379
	94,533	82,557

17. DEFERRED INCOME

	2020	2019
	£	£
At 1 August 2019	**55,669**	55,669
Amount released to income	**(55,669)**	(55,669)
Amount deferred in year	**57,164**	55,669
At 31 July 2020	**57,164**	55,669

Deferred income within accruals and deferred income included in note 16 is made up of Arts Council funding received in advance.

18. PENSIONS AND OTHER POST RETIREMENT BENEFITS

The Principal belongs to the Teachers' Pension Scheme, England and Wales (TPS) which is a multi-employer defined-benefit scheme. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The outstanding contributions of £828 (2019: £2,049) were paid in August 2020.

Teachers' Pension Scheme

The TPS is a statutory, contributory, defined benefit scheme governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or change of contract, although they are able to opt out. The TPS is an unfunded scheme to which both the member and the employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by parliament

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 contributions set at 23.68% (16.48% to September 2019) 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. " An Employer cost cap of 7.3% of pensionable pay will be applied to future valuations. " 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 is 4.5%. The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to TPS in the period amounted to £19,159 (2019: £15,243).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in the FRS 102, the TPS is a 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.

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,283 (2019: £2,141).

19. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2020	2019
	£	£
Recognised in income from donations and legacies:		
Coronavirus Job Retention Scheme Grant	9,332	-

20. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 Aug 2019 £	Income £	Expenditure £	Transfers £	**At 31 July 2020 £**
General funds	707,322	237,987	(225,099)	(7,536)	**712,674**

	At 1 Aug 2018 £	Income £	Expenditure £	Transfers £	At 31 July 2019 £
General funds	547,159	375,317	(205,239)	(9,915)	707,322

Restricted funds

	At 1 Aug 2019 £	Income £	Expenditure £	Transfers £	**At 31 July 2020 £**
Fixed asset fund	130,344	–	(15,001)	–	**115,343**
Arts Council England	–	348,339	(355,875)	7,536	–
	130,344	348,339	(370,876)	7,536	**115,343**

	At 1 Aug 2018 £	Income £	Expenditure £	Transfers £	At 31 July 2019 £
Fixed asset fund	146,438	–	(16,094)	–	130,344
Arts Council England	62,589	339,133	(411,637)	9,915	–
	209,027	339,133	(427,731)	9,915	130,344

Restricted fixed asset fund represents musical instruments, fixtures and fittings and computers transferred to Calderdale Music Trust from Calderdale MBC in 2015, less depreciation charges.

Arts Council England is a grant towards the costs of extending the delivery of Music education hub activity.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	**Total Funds 2020**
	£	£	£
Tangible fixed assets	37,444	115,343	**152,787**
Current assets	769,763	–	**769,763**
Creditors less than 1 year	(94,533)	–	**(94,533)**
Net assets	712,674	115,343	**828,017**

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Tangible fixed assets	38,557	130,344	168,901
Current assets	751,322	–	751,322
Creditors less than 1 year	(82,557)	–	(82,557)
Net assets	707,322	130,344	837,666

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Aug 2019	Cash flows	**At 31 Jul 2020**
	£	£	£
Cash at bank and in hand	714,439	37,172	**751,611**

23. RELATED PARTIES

Mr Rivett a trustee had an overdrawn loan account of £2,426 at 1 August 2019, this loan was cleared during the year. The loan was unsecured, interest free and repayable on demand.

All transactions are conducted in accordance with the Trust's normal procurement procedures.