

TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

Registered Charity Number: 1156540

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

CHARITY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEES:

Nigel Taylor (Chair)
 Patricia Tremayne
 Rob Tinniswood
 Carolyn Baxendale
 Jane Hampson
 Julie Hilling
 Jeanette Winstanley
 David Chandler
 David Greenhalgh

REGISTERED CHARITY NUMBER:

1156540

PRINCIPAL SERVICE ADDRESS:

Mrs C Baxendale
 5 Hodgkinsons Farm
 Boot Lane
 Bolton
 BL1 5ST

BANKERS:

Nat West Bank
 50 Market Street
 Westhoughton
 Bolton
 BL5 3BA

ACCOUNTANTS:

DonnellyBentley Limited
 Hazlemere
 70 Chorley New Road
 Bolton
 BL1 4BY

INDEPENDENT EXAMINER:

Mr J C Hargraves (Hons) FCA
 DonnellyBentley Limited
 Chartered Accountants
 Hazlemere
 70 Chorley New Road
 Bolton
 BL1 4BY

TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trust Music was registered as a charitable incorporated organisation in the North West of England on 7 April 2014 and is governed by its constitution. The Charity registered number is 1156540. The Charity is non-profit making and its trustees are volunteers.

The trustees are appointed by the members of the organisation at the Annual General Meeting. Trustees have the power under the governing documents to co-opt individuals who support the objects of the organisation to fill vacancies on the Board of Trustees.

As part of their induction, any new trustees are provided with information about the charity, the management structure, its history and working practices. In addition, they are also provided with information from the Charity Commission regarding the duties and responsibilities of trustees.

OBJECTIVES AND ACTIVITIES

To advance the education of children, young people and the public in music in all its aspects so as to build confidence, raise aspirations and strengthen local communities. Our aim is to create an inclusive environment for all children through music, from our work in the community, we provide practical and financial support for music projects which raise aspirations and enable young people to fulfil their potential. We develop strategic partnerships, and work closely with our supporters to develop the case for continued investment in music education.

PUBLIC BENEFIT

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees have considered the activities of the Charity as set out in the 'Objectives and Activities' section above, and the 'Achievements and Performance in the Year' and assessed their future plans. They are satisfied that the criteria for public benefit are comprehensively achieved.

ACHIEVEMENTS AND PERFORMANCE IN THE YEAR

2020 has been a difficult year for everyone. We had a very positive start to the year with income from the Studio up on our forecast and preparations for the launch of our new fundraising campaign well under way. Then Covid hit and everything changed. Our Studio, like many retail outlets, was forced to close at the end of March and remained closed for the rest of the year. We also had to cancel most of our events for the year and cancel our adult ensembles. This meant that our ability to generate income was severely hit. In addition, demand for financial support for families increased as Furlough set in. It is testament to our Trustees that in the face of such pressures they managed to steer the Charity safely through the remainder of the year. Grants were sought and achieved, allowing the valuable work of the Charity to continue. Bursary payments, as a result, were increased to help financially challenged families continue to allow their

TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

child or children to access music lessons and participate in music making. Most of this was achieved via online learning and virtual rehearsals. We received very positive feedback for the virtual programmes we put in place at very short notice, and I must thank all the staff & teachers we use for their cooperation and support in making music happen for so many people throughout 2020.

RESERVES POLICY

It is the policy of the Charity to maintain unrestricted funds, which are free reserves of the Charity, at a level which as a minimum equates to approximately three months operating expenditure. A reserve in the order of £20,000 is considered sufficient since the Charity has little in the way of overheads and this would allow the Charity to react to changes in funding in a constructive manner.

FINANCIAL REVIEW

	£
The deficit for the period was	(15,622)
To which is added the surplus brought forward	<u>115,771</u>
Leaving a surplus carried forward of	<u>100,149</u>

TRUSTEES

The Trustees who served during the year are listed below:

Nigel Taylor
 Patricia Tremayne
 Rob Tinniswood
 Carolyn Baxendale
 Robert Aston (Deceased June 2021)
 Jane Hampson
 Julie Hilling
 Jeanette Winstanley
 Daniel Chandler
 David Greenhalgh

TAXATION

The Trustees are of the opinion that as a charity the organisation will be exempt from taxation, and will be granted exemption by the Inland Revenue under the provisions of section 505 of the Income and Corporation Taxes Act 1988.

TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that 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 Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

INDEPENDENT EXAMINER

A resolution will be proposed at the Annual General Meeting to appoint Mr Jonathan Hargraves of Donnelly Bentley, Chartered Accountants and Registered Auditor, as the Independent Examiner to the Charity.

APPROVED BY THE TRUSTEES AND SIGNED ON BEHALF OF THE TRUSTEES BY:


 Robert Tinniswood - Trustee

Date: 21/9/21

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TRUST MUSIC

FOR THE YEAR ENDED 31 DECEMBER 2020

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 4 to 7

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

J C Hargraves

Mr J C Hargraves (Hons) FCA
DonnellyBentley Limited
Chartered Accountants
Hazlemere
70 Chorley New Road
Bolton
BL1 4BY

Date: 21st September 2021

TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The principal policies adopted in the Financial Statements are set out below.

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

FUND ACCOUNTING

Unrestricted funds represent the accumulated funds of the charity that are not subject to any restrictions regarding their use, and are available in the furtherance of the general objectives of the charity.

Designated funds are designated by the Trustees for particular purposes, and are also unrestricted, as these monies can be re-assigned by the Trustees if so required.

INCOME

All income is included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Income includes grants in respect of revenue and capital items.

EXPENDITURE

Expenditure is recognised on an accrual basis as a liability is incurred.

- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the end of the year are noted as a commitment, but not accrued as expenditure.

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CHARITABLE INCORPORATED ORGANISATION

ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

TAXATION

No provision has been made for taxation as exemption from taxation is being granted by the Inland Revenue under the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

VAT ACCOUNTING

The Charity is not liable to be registered for VAT. Irrecoverable VAT on expenditure is not analysed separately but attributed to the category of expenditure on which it is incurred.

TANGIBLE FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets at rates as follows:

Improvements to property	20% per annum	straight line method
Fixtures and fittings	25% per annum	reducing balance method
Instruments and equipment	25% per annum	reducing balance method

CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

CREDITORS AND PROVISIONS

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

CASH FLOW STATEMENT

The Board of Trustees have elected to take advantage of the exemption under Update Bulletin 1 of the Charities SORP (FRS 102) not to prepare a cash flow statement.

GOING CONCERN

The trustees have reviewed the circumstances of Trust Music and consider that adequate resources continue to be available to fund the activities of the charity for the foreseeable future. The trustees are of the view that the charity is a going concern.

JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements require certain judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR 31 DECEMBER 2020

	Notes	Unrestricted £	Studio £	Total 31/12/2020 £	Total 31/12/2019 £
Income:					
Donations		11,334	6,185	17,519	36,693
<i>Income from charitable activities:</i>					
Fundraising		42,911	957	43,868	40,968
<i>Other income:</i>					
Furlough grants received		2,281	-	2,281	-
Total income	1	56,526	7,142	63,668	77,661
Expenditure:					
<i>Expenditure on charitable activities</i>		52,651	16,161	68,812	94,630
<i>Administrative expenditure:</i>					
Accountancy		2,330	-	2,330	2,196
Professional fees		108	-	108	
Website costs		3,254	-	3,254	144
Bank charges		238	-	238	
Depreciation		-	4,548	4,548	4,800
Total expenditure	2	58,581	20,709	79,290	101,770
Net income/(expenditure) and net movement in funds for the period		(2,055)	(13,567)	(15,622)	(24,109)
Transfer between funds		(13,754)	13,754	-	-
Reconciliation of funds					
Total funds brought forward		104,991	10,780	115,771	139,880
Total funds carried forward		89,182	10,967	100,149	115,771

The named funds above are all Designated Funds.

The 'Studio' fund was formerly known as the 'Music Box' fund and is a change in name only.

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

TRUST MUSIC**CHARITABLE INCORPORATED ORGANISATION****BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Note	As at 31/12/2020		As at 31/12/2019	
		£	£	£	£
FIXED ASSETS					
Tangible Fixed Assets	3		10,941		15,009
CURRENT ASSETS					
Debtors	4	43		-	
Cash at Bank and in Hand		90,994		120,916	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR					
	5	<u>(1,829)</u>		<u>(20,154)</u>	
NET CURRENT ASSETS			<u>89,208</u>		<u>100,760</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>100,149</u>		<u>115,771</u>
Represented By:					
FUNDS					
Designated Funds			89,182		10,780
Unrestricted Funds			<u>10,967</u>		<u>104,991</u>
	6 & 7		<u>100,149</u>		<u>115,771</u>

The financial statements on pages 4 to 7.4 were approved by the trustees and signed on their behalf by:-


 Robert Tinniswood - Trustee


 Carolyn Baxendale - Trustee

Date: 21/9/21

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CHARITABLE INCORPORATED ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. INCOME

The income is entirely attributable to the Charity's principal aims and objectives.

The operating surplus is stated after:

	Year Ended 31/12/2020 £		Year Ended 31/12/2019 £	
Trustees remuneration	-		-	
	Unrestricted £	Studio £	Total 31/12/2020 £	Total 31/12/2019 £
<i>Income from donations:</i>				
Donations less than £250	2,815	76	2,891	6,506
Donations more than £250	8,519	6,109	14,628	30,187
Arts Council Award	-	-	-	25,018
Event Ticket Sales	1,826	-	1,826	7,429
Collections	105	-	105	584
Book Sales	-	957	957	3,435
Other Awards	40,980	-	40,980	4,502
Furlough grants received	2,281	-	2,281	-
	56,526	7,142	63,668	77,661

The named funds above are all Designated Funds.

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CHARITABLE INCORPORATED ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2. EXPENDITURE

	Unrestricted £	Studio £	Total 31/12/2020 £	Total 31/12/2019 £
<i>Direct costs:</i>				
Choir Festival expenses	826	-	826	615
Concert costs	-	-	-	5,322
Contract staffing	7,200	-	7,200	7,200
Training and meetings	-	-	-	187
Purchases	-	-	-	-
Bursaries	6,962	-	6,962	4,345
Hardship pupil funding	-	-	-	549
Equipment purchases	-	-	-	297
BM Service funding for children on free school meals	-	2,340	2,340	16,545
Campaign consultancy	8,620	-	8,620	5,553
Project support	17,055	-	17,055	37,285
Staff costs	9,149	10,424	19,573	9,867
Travel expenses	-	239	239	546
Fundraising expenses	-	120	120	-
Sheet music	360	-	360	-
Venue hire	550	-	550	-
<i>Support Costs:</i>				
Insurance	-	-	-	681
General expenses	19	198	217	270
Website costs	3,254	-	3,254	144
Cleaning costs	-	96	96	566
Repairs and renewals	-	21	21	167
Stationery	16	40	56	296
Telephone	-	573	573	612
Computer costs	745	415	1,160	452
Electricity	-	1,500	1,500	2,957
Rates and water	-	195	195	318
Public relations costs	315	-	315	-
Subscriptions	834	-	834	-
<i>Governance costs:</i>				
Accountancy	2,330	-	2,330	2,196
Professional fees	108	-	108	-
<i>Finance costs:</i>				
Bank charges	238	-	238	-
<i>Depreciation:</i>				
Improvements to property	-	3,311	3,311	3,311
Fixtures and fittings	-	648	648	704
Instruments and equipment	-	589	589	785
	58,581	20,709	79,290	101,770

The named funds above are all Designated Funds.

TRUST MUSIC**CHARITABLE INCORPORATED ORGANISATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 DECEMBER 2020****3. FIXED ASSETS**

	Improvements To Property £	Fixtures and Fittings £	Instruments and Equipment £	TOTAL £
COST OR VALUATION				
At 1 January 2020	16,556	2,980	3,293	22,829
Additions	-	480	-	480
Disposals	-	-	-	-
At 31 December 2020	<u>16,556</u>	<u>3,460</u>	<u>3,293</u>	<u>23,309</u>
DEPRECIATION				
At 1 January 2020	6,013	869	938	7,820
Charge for Year	3,311	648	589	4,548
Depreciation on Disposals	-	-	-	-
At 31 December 2020	<u>9,324</u>	<u>1,517</u>	<u>1,527</u>	<u>12,368</u>
NET BOOK VALUE				
At 31 December 2020	<u>7,232</u>	<u>1,943</u>	<u>1,766</u>	<u>10,941</u>
NET BOOK VALUE				
At 31 December 2019	<u>10,543</u>	<u>2,111</u>	<u>2,355</u>	<u>15,009</u>

4. DEBTORS

	As at 31/12/2020 £	As at 31/12/2019 £
Other debtors	<u>43</u>	<u>-</u>

5. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 31/12/2020 £	As at 31/12/2019 £
Accruals	1,812	20,154
Trade creditors	<u>17</u>	<u>-</u>
	<u>1,829</u>	<u>20,154</u>

TRUST MUSIC**CHARITABLE INCORPORATED ORGANISATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 DECEMBER 2020****6. ANALYSIS OF MOVEMENTS OF FUNDS IN THE PERIOD**

	Unrestricted	Studio	Total	Total
	£	£	31/12/2020	31/12/2019
			£	£
INCOME	56,526	7,142	63,668	77,661
EXPENSES	58,581	20,709	79,290	101,770
	(2,055)	(13,567)	(15,622)	(24,109)
TRANSFERS BETWEEN FUNDS	(13,754)	13,754	-	-
FUNDS AT START 01/01/2020	104,991	10,780	115,771	139,880
CLOSING BALANCES 31/12/2020	89,182	10,967	100,149	115,771

All named funds are Designated Funds.

7. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2020 are represented by:

	Unrestricted	Studio	Total
	£	£	31/12/2020
			£
Tangible fixed assets	-	10,941	10,941
Current assets	90,994	43	91,037
Current liabilities	(1,812)	(17)	(1,829)
	89,182	10,967	100,149

All named funds are Designated Funds.

TRUST MUSIC

CHARITABLE INCORPORATED ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

Fund balances at 31 December 2019 are represented by:

	Unrestricted	Studio	Total
	£	£	31/12/2019
			£
Tangible fixed assets	-	15,009	15,009
Current assets	120,916	-	120,916
Current liabilities	(15,925)	(4,229)	(20,154)
	<u>104,991</u>	<u>10,780</u>	<u>115,771</u>

All named funds are Designated Funds.

8. TRANSACTIONS WITH TRUSTEES

There have been no transactions with Trustees during the period. None of the Trustees received any remuneration or expenses for their services during the period.

9. RELATED PARTY TRANSACTIONS

There are no related party transactions in the year.

10. CAPITAL COMMITMENTS

The Charity had no capital commitments at the year end.

11. ULTIMATE CONTROLLING PARTY

The Charity is under the control of the Board of Trustees.