

THE LIGHT MUSIC SOCIETY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

CONTENTS AND CHARITY INFORMATION

CONTENTS:	PAGE:
Trustees Report	1 - 3
Independent Examiners Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 - 9

TRUSTEES:

Peter Moody
Jan Mentha (Treasurer to 31st March 2021)
Hilary Ashton
Andrew Bate (resigned 17th February 2021)
Dan Adams (resigned 29 August 2021)
Howard Rogerson
Sarah Glossop (resigned 29th August 2021)
Alex Webb
David Greenhalgh
Tracey Johnson (Treasurer from 1st April 2021)

CHARITY OFFICES:

Magna House
Main Street
Long Preston
North Yorkshire
BD23 4ND

CHARITY REGISTRATION NUMBER: 1158472

INDEPENDENT EXAMINER:

Ian W Shipley FCCA
For and on behalf of:
Prentis & Co LLP
Chartered Accountants & Independent Examiners
115c Milton Road
Cambridge
CB4 1XE

BANKERS:

Co-Operative Bank Plc
1 Balloon Street
Manchester
M60 4EP

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

TRUSTEES REPORT

The Trustees present their annual report and financial statements of the charity for the year ended 31st December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1st January 2019).

STRUCTURE AND GOVERNANCE AND MANAGEMENT OF THE CHARITY

The charity is a Charitable Incorporated Organisation governed by its constitution.

Trustees are usually elected at the AGM although may be appointed at other times as required.

The Trustees manage the day to day responsibilities of the charity. Trustees also meet to make policy decisions and supervise the development of the charity.

The Trustees endeavour to maintain their knowledge of charity regulations by reading material as it becomes available. In the event of the appointment of new trustees, suitable steps are taken to ensure that they are aware of their obligations.

OBJECTIVES AND ACTIVITIES

The charity was set up to promote, develop and maintain public education and appreciation of light music throughout the world, in particular but not exclusively by:

- Supporting the collection, maintenance and administration of the library of light-orchestral music.
- Publishing information pertaining to light music.
- Encouraging the broadcasting, composition and performance of light music.

The Trustees have referred to the guidance contained in the Charity Commission general guidance on public benefit and continue to do so when reviewing our future objectives.

COVID-19

Covid continued to challenge both our Society and the music groups we engage with. There was a significant reduction in the lending of music, but towards the end of 2021 orders were starting to pick up, demonstrating that ensembles are more confident in returning to full time rehearsals and concerts.

The Society's AGM took place in person in August 2021.

ACHIEVEMENTS AND PERFORMANCE

2021 has been another successful year despite the challenge of Covid. Several key elements have been developed to safeguard and improve the Society into the future. These include:

- Managed our way through the Covid pandemic benefiting from the financial support provided by the government
- Identified a new and more affordable home for the library that will assist in the long-term financial stability of the Society
- Completed the initial phase of the library management plan, establishing and documenting electronically the content of the library and sharing this with our communities

During the financial period 1st January 2021 - 31st December 2021 the Society has:

1. Continued to publish and deliver to its members a professionally designed and printed quarterly magazine.
2. Continued a monthly electronic Newsletter to members.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

TRUSTEES REPORT/CONTINUED

3. Continued to make improvements to the Society's Website.
4. Completed a significant part of the management of the library content including 2 new versions of the updated catalogue.
5. Continued to work with Making Music and the International Association of Music Libraries and Documentation Centres (IAML UK).
6. Discussions continued to take place to move the LMS catalogue onto the IAML ENCORE database
7. Continued to work with an enthusiastic team of volunteers to accelerate the management of the library content. Their work includes:
 - a. 26 new collections added to the catalogue
 - b. Validating thirteen collections, i.e. ensuring the contents of packets were accurately recorded and reflected in the catalogue
 - c. Rationalisation of 1 composer's works i.e. amalgamating duplicate sets and ensuring accurate records in the catalogue
8. Library statistics from 2021:
 - Electronic online catalogue content includes more than 35,000 sets of music
 - Over 10,000 new titles catalogued
 - Thousands of data quality checks carried out on the catalogue to improve the accuracy of information
9. Looking to create an educational link to the Royal Northern College of Music. Created and working towards a project to better understand women composers in the Light Music genre.
10. Worked with the Manchester University Business School to deliver a project on their international MBA programme
11. Acknowledging the financial implications of remaining at Magna House, the Trustees are finalising proposals to move the library to more affordable and suitable premise
12. Several funding bids have been submitted to support a move of the library
13. The Society staged several Sunday afternoon *zoom* events
14. A concert was given in August 2021 by the Orchestra of the Light Music Society prior to the AGM. This was the re-launch of the LMS professional orchestra and the start of bringing live music back to the awareness of the public. The concert was sold out and was received with great enthusiasm.

FINANCIAL REVIEW

The overall surplus for the year comprised a deficit on operating activities of £13,960, offset by a gain on investments of £20,279. Operating activities were again affected by reduced lending activity, which was still below pre-pandemic levels, and the deficit was partially mitigated by the receipt of Covid related grants. As noted above the trustees are currently finalising plans to move premises in order to reduce costs and are looking at ways to increase income in an effort to move towards a balanced budget.

RESERVES

At 31st December the Society held the following reserves as shown in Note 7:

	£
Unrestricted free reserves	111,571
Designated funds:	
Development project fund	20,000
Property fund	180,000
Total unrestricted reserves	<u>311,571</u>

FREE RESERVES

Free reserves are unrestricted reserves that are not designated for a specific purpose. The Trustees have set a policy of maintaining a minimum level of free reserves of £50,000. At 31st December 2021 the free reserves held were in excess of the minimum level set by the policy. The Trustees are satisfied that it is prudent to hold this level of reserves to support the Society through the uncertain financial climate both during and following the Coronavirus pandemic.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

TRUSTEES REPORT/CONTINUED

DESIGNATED RESERVES

Designated reserves are unrestricted reserves that have been set aside for specific purposes, in line with the Trustees' strategic plan. The Trustees have agreed to designate the following funds:

- Project development fund - £20,000 to fund development projects or to provide match funding for funding for funding applications to third parties for project funding
- Property fund - £180,000 to fund potential costs associated with relocating premises, including legal, removal and fit-out costs and to provide a regular income from investments to fund the ongoing rental costs

RISK ASSESSMENT

The Trustees have considered the major risks faced by the charity and review risks regularly, making sure systems are in place to mitigate these.

KEY MANAGEMENT AND PERSONNEL REMUNERATION

The charity employs no staff and consider the Board of Trustees to be its key management.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

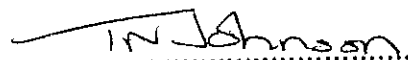
Law applicable to charities in England and Wales requires the Trustees to prepare the financial statements for each financial year which give a true and fair view of the incoming resources and applications of the resources of the Charity during the year and of its state of affairs at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and in preparing the financial statements the Trustees are required to:

- (i) Select suitable accounting policy and then apply them consistently.
- (ii) Observe the methods and principles of the Charities SORP.
- (iii) Make judgements and estimates that are reasonably prudent.
- (iv) State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- (v) Prepare the financial statements on a going concern basis unless it is inappropriate to presume the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the constitution. 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.

APPROVAL

This report was approved by the Trustees on 6 September 2022 and signed on their behalf.



TRACEY JOHNSON, TRUSTEE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LIGHT MUSIC SOCIETY

I report on the financial statements of The Light Music Society for the year ended 31st December 2021 which are set out on pages 5 to 9.

RESPONSIBILITIES AND BASIS OF REPORT

As Charity Trustees of the Society you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

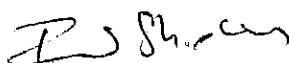
I report in respect of my examination of the Society's accounts carried out under s.145 of the 2011 Act and in carrying out my examination I have followed all applicable directions given by the Charity Commission under s.145(5)(b) of the 2011 Act.

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 Society 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 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.



IAN W SHIPLEY FCCA
FOR AND ON BEHALF OF:
PRENTIS & CO LLP
CHARTERED ACCOUNTANTS &
INDEPENDENT EXAMINERS

115c Milton Road
Cambridge
CB4 1XE

9th September 2022

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted 2021 £	Unrestricted 2020 £
INCOME:			
Voluntary income			
Subscriptions		6,796	6,233
Donations (including Gift Aid)		4,002	3,624
Charitable activities			
Sales and lending of music		4,168	2,338
AGM		1,854	124
Other income			
Miscellaneous income		906	280
Investment income		470	874
Grants received - COVID-19		24,143	27,000
TOTAL INCOME		<u>42,339</u>	<u>40,473</u>
EXPENDITURE:			
Charitable activities	2	56,299	47,664
TOTAL EXPENDITURE		<u>56,299</u>	<u>47,664</u>
NET EXPENDITURE BEFORE GAINS ON INVESTMENTS		(13,960)	(7191)
NET GAINS ON INVESTMENTS	4	20,279	21,791
NET MOVEMENT IN FUNDS		<u>6,319</u>	<u>14,600</u>
RECONCILIATION OF FUNDS			
Total funds at 31st December 2020		305,252	290,652
Total funds at 31st December 2021		<u>311,571</u>	<u>305,252</u>


The notes on pages 7 and 9 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

BALANCE SHEET

	Notes	As at 31st December 2021		As at 31st December 2020	
		£	£	£	£
FIXED ASSETS					
Investments	4		260,463		252,690
CURRENT ASSETS					
Debtors: amounts falling due within one year	5		230		-
Cash in bank and in hand			56,581		55,715
TOTAL CURRENT ASSETS			<u>56,811</u>		<u>55,715</u>
LIABILITIES					
Creditors: amounts falling due within one year	6		<u>5,703</u>		<u>3,153</u>
Net Current Assets			51,108		52,562
TOTAL NET ASSETS			<u>311,571</u>		<u>305,252</u>
THE FUNDS OF THE SOCIETY					
Unrestricted income funds	7		<u>311,571</u>		<u>305,252</u>

The financial statements were approved by the Trustees on 6 September 2022 and signed on their behalf.


 TRACEY JOHNSON
 TRUSTEE

The notes on pages 7 and 9 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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) second edition (effective 1st January 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity has also taken advantage of exemptions available for smaller entities under section 1A of FRS 102 and the Charities SORP (FRS 102) updated Bulletin 1 2nd February 2016. In particular have taken advantage of the exemption to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements.

The charity's financial statements are prepared under the going concern basis. This is appropriate and the trustees are of the view that there are no factors that affect going concern in the following 12 months.

(b) FUND ACCOUNTING

The charity maintains a general unrestricted fund which is expendable at the discretion of the Trustees in furtherance of the objects of the charity.

(c) INCOME

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made such income is grossed up for the tax recoverable. The following policies are applied to income.

- INVESTMENT INCOME

Investment income is accounted for when receivable. The tax recoverable relating to investment income is accounted for in the same period as the related income.

- DONATIONS

Income is accounted for when receivable. Any tax recoverable relating to the donations is accounted for when received.

- MEMBERSHIP INCOME

Membership income is accounted for and covers the period of membership commencing therefrom.

(d) CHARITABLE EXPENDITURE

Direct charitable expenditure includes all expenditure directly related to the objects of the charity and is accounted for when the Trustees have accepted a legal or moral obligation to meet the expenditure. Support and governance costs are included within charitable expenditure.

(e) INVESTMENTS

Fixed asset investments are included in the accounts at market value. Realised and unrealised gains and losses on those investments are disclosed separately in the Statement of Financial Activities.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

2.	CHARITABLE ACTIVITIES	2021	2020
	DIRECT COSTS	£	£
	Library costs	10,585	10,467
	Rent	15,000	15,000
	Other premises costs	5,889	6,500
	AGM	2,747	57
	Magazine	7,934	7,017
	Printing	1,419	1,659
	Postage	2,160	2,110
	Professional fees	3,740	-
		<u>49,474</u>	<u>42,810</u>
	SUPPORT COSTS		
	Computer	1,096	518
	Stationery	1,119	458
	Relocation costs	-	80
	Miscellaneous	912	650
	Gifts	30	28
	Investment management fees	2,973	2,465
		<u>6,130</u>	<u>4,199</u>
	GOVERNANCE COSTS		
	Independent Examiners Fee	695	655
	TOTAL CHARITABLE COSTS	<u>56,299</u>	<u>47,664</u>

3. TRUSTEE TRANSACTIONS

The following payments were made to the trustees for services provided to the charity and not relating to the office or work done in the role of trustee.

	2021	2020
S Glossop	£6,235	£7,410 - secretarial work, magazine, office administration and facilities management
H Ashton	£34	£2,013 - office administration
D Adams	£3,160	£5,440 - magazine and website
A Webb	£264	- - office administration and music expenses
D Greenhalgh	£125	- - office administration and music expenses

Any services the trustees and related parties receive from the charity are on the same basis as other members of the charity and members of the public.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

NOTES TO THE FINANCIAL STATEMENTS

4.	INVESTMENTS	2021	2020
		£	£
	Market value at 1st January 2021	247,755	227,958
	Additions	197,787	177,158
	Disposals	(212,862)	(179,152)
	Realised Gains	11,307	2,999
	Unrealised Gains	8,972	18,792
	Market value at 31st December 2021	252,959	247,755
	Capital Account	7,504	4,935
	TOTAL INVESTMENTS AT 31ST DECEMBER 2021	260,463	252,690
	Historical cost at 31st December 2021	235,771	222,573

5.	DEBTORS - DUE WITHIN ONE YEAR	2021	2020
		£	£
	Prepayments	230	-

6.	CREDITORS - DUE WITHIN ONE YEAR	2021	2020
		£	£
	Accruals and deferred income	5,703	3,153

7. STATEMENT OF FUNDS - 2021
UNRESTRICTED INCOME FUNDS:

	b/fwd 1st January 2021 £	Income £	Expenditure £	Gains on Investments £	c/fwd 31st December 2021 £
General unrestricted	105,252	42,339	56,299	20,279	111,571
Designated - Project fund	20,000	-	-	-	20,000
- Property fund	180,000	-	-	-	180,000
Total funds	305,252	42,339	56,299	20,279	311,571

- Project development fund - £20,000 to fund development projects or to provide match funding for funding for funding applications to third parties for project funding
- Property fund - £180,000 to fund potential costs associated with relocating premises, either via a property purchase or cheaper property rental, including legal, removal and fit-out costs.

STATEMENT OF FUNDS - 2020
UNRESTRICTED INCOME FUNDS:

	b/fwd 1st January 2020 £	Income £	Expenditure £	Gains on Investments £	Transfers £	c/fwd 31st December 2020 £
General unrestricted	290,652	40,473	47,664	21,791	(200,000)	105,252
Designated - Project fund	-	-	-	-	20,000	20,000
- Property fund	-	-	-	-	180,000	180,000
Total funds	290,652	40,473	47,664	21,791	-	305,252