

THE LIGHT MUSIC SOCIETY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

CONTENTS AND CHARITY INFORMATION

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TRUSTEES:

Hilary Ashton (Chair)
Peter Moody (resigned 8th October 2022)
Jan Mentha
Tracey Johnson (Treasurer)
Howard Rogerson
Alex Webb (resigned 27th July 2022)
David Greenhalgh
Catherine Tackley (appointed 8th October 2022)
James Cooke (appointed 8th October 2022)
Christopher Browne (appointed 8th October 2022)
Paul Witkiewicz (appointed 8th October 2022)

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

Skipton Building Society
99 Fishergate
Preston
PR1 2AE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

TRUSTEES REPORT

The Trustees present their annual report and financial statements of the charity for the year ended 31st December 2022. 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.

REVIEW OF THE YEAR

2022 has been another successful year. Several key elements have been developed to safeguard and improve the Society into the future. These include:

- Continued to negotiate a more affordable home for the library that will assist in the long-term financial stability of the Society
- Completed next phase of the library management plan, validating and rationalising the content of the library and sharing this with our communities

The Society's AGM took place in person in October 2022.

ACHIEVEMENTS AND PERFORMANCE

During the financial period 1st January 2022 - 31st December 2022 the Society has:

1. Continued to publish and deliver to its members a professionally designed and printed magazine.
2. Continued a monthly electronic Newsletter to members.
3. Continued to make improvements to the Society's Website.
4. Completed a significant part of the management of the library content including a new version of the catalogue.
5. Continued to network with Making Music and the International Association of Music Libraries and Documentation Centres (IAML UK).
6. Discussions continued 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 included:
 - a) 5 new collections added to the catalogue
 - b) Rationalisation of 9 composer's works, i.e. amalgamating duplicate sets and ensuring accurate records in the catalogue

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

TRUSTEES REPORT/CONTINUED

8. Library statistics from 2022:

- Electronic online catalogue content more than 35,000 sets of music
- Over 2,000 new titles catalogued
- Thousands of data quality checks carried out on the catalogue to improve the accuracy of information

9. Created an educational link with the Royal Northern College of Music, working towards a project to extend the Society's social media reach.

10. Acknowledging the financial implications of remaining at Magna House, the Trustees are finalising proposals to move the library to more affordable and suitable premises.

11. Three funding bids have been obtained to support a move of the library and we are very grateful to the Golsenett Foundation and the Provincial Walsh Trust for their support.

FINANCIAL REVIEW

The overall deficit for the year comprised a deficit on operating activities of £25,627 (2021: £13,960), and a loss on investments of £34,620 (2021: £20,279 gain).

Operating activities returned to pre pandemic levels in 2022 and total income received from all sources was £31,240 (2021: £42,339 including Covid-19 grants of £24,143). Total expenditure was consistent with the previous year at £56,687 (2021: £56,299). This resulted in an operating deficit of £25,627 (2021: £13,690). 2022 was a difficult year for investment performance and a loss on investments of £34,620 (2021: gain of £20,279) was suffered, which resulted in a total reduction in reserves from £311,571 to £251,324.

The trustees are aware that the charity cannot continue to sustain deficits of this magnitude and we are now in the final stages of agreeing a lease on new premises which will reduce annual property costs by approximately £12,500. In addition the trustees are continuing to explore further ways to reduce costs and increase income to arrive at a balanced budget post move.

RESERVES

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

	£
Unrestricted free reserves	49,574
Designated funds:	
Development project fund	20,000
Property fund	180,000
Restricted funds	1,750
Total reserves	<u>251,324</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 2022 the free reserves were very close to 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.

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 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.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

TRUSTEES REPORT/CONTINUED

KEY MANAGEMENT AND PERSONNEL REMUNERATION

The charity considers 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 3. July 2023 and signed on their behalf.


TRACEY JOHNSON, TRUSTEE

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

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 2022 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').

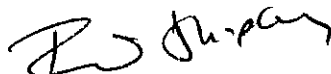
I report in respect of my examination of the Society's accounts carried out under s.145 of the 2011 Act and in carrying out my examination I have followed all applicable directions given by the Charity Commission under s.145(5)(b) of the 2011 Act.

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

10th July 2023

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £
INCOME:					
Voluntary income					
Subscriptions		8,754	-	8,754	6,796
Donations (including Gift Aid)		3,590	-	3,590	4,002
Charitable activities					
Sales and lending of music		8,699	-	8,699	4,168
AGM		520	-	520	1,854
Concert		2,369	-	2,369	-
Other income					
Miscellaneous income		1,155	-	1,155	906
Investment income		4,403	-	4,403	470
Grants received - COVID-19		-	-	-	24,143
- Other		-	1,750	1,750	-
TOTAL INCOME		<u>29,490</u>	<u>1,750</u>	<u>31,240</u>	<u>42,339</u>
EXPENDITURE:					
Charitable activities	2	<u>56,867</u>	-	<u>56,867</u>	<u>56,299</u>
TOTAL EXPENDITURE		<u>56,867</u>	-	<u>56,867</u>	<u>56,299</u>
NET INCOME/(EXPENDITURE) BEFORE (LOSSES)/GAINS ON INVESTMENTS					
		(27,377)	1,750	(25,627)	(13,960)
NET (LOSSES)/GAINS ON INVESTMENTS	4	<u>(34,620)</u>	-	<u>(34,620)</u>	<u>20,279</u>
NET MOVEMENT IN FUNDS		<u>(61,997)</u>	<u>1,750</u>	<u>(60,247)</u>	<u>6,319</u>
RECONCILIATION OF FUNDS					
Total funds at 31st December 2021		311,571	-	311,571	305,252
Total funds at 31st December 2022		<u>249,574</u>	<u>1,750</u>	<u>251,324</u>	<u>311,571</u>


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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

BALANCE SHEET

	Notes	As at 31st December 2022		As at 31st December 2021	
		£	£	£	£
FIXED ASSETS					
Investments	4		182,837		260,463
CURRENT ASSETS					
Debtors: amounts falling due within one year	5	1,050		230	
Cash in bank and in hand		71,854		56,581	
TOTAL CURRENT ASSETS		<u>72,904</u>		<u>56,811</u>	
LIABILITIES					
Creditors: amounts falling due within one year	6	<u>4,417</u>		<u>5,703</u>	
Net Current Assets			<u>68,487</u>		<u>51,108</u>
TOTAL NET ASSETS			<u>251,324</u>		<u>311,571</u>
THE FUNDS OF THE SOCIETY					
Restricted income funds			1,750		-
Unrestricted income funds			249,574		311,571
TOTAL FUNDS	7		<u>251,324</u>		<u>311,571</u>

The financial statements were approved by the Trustees on 3.7.23
and signed on their behalf.


TRACEY JOHNSON
TRUSTEE

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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

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 2022

NOTES TO THE FINANCIAL STATEMENTS

2.	CHARITABLE ACTIVITIES	2022	2021
	DIRECT COSTS	£	£
	Library and membership administration	13,350	10,585
	Rent	15,000	15,000
	Other premises costs	5,238	5,889
	AGM	352	2,747
	Concert	2,838	-
	Magazine and newsletter production	9,211	7,934
	Printing	1,646	1,419
	Postage	2,531	2,160
	Professional fees	168	3,740
		<u>50,334</u>	<u>49,474</u>
	SUPPORT COSTS		
	Computer and telephone	1,006	1,096
	Stationery	1,268	1,119
	Miscellaneous	1,113	912
	Gifts	-	30
	Investment management fees	2,358	2,973
		<u>5,745</u>	<u>6,130</u>
	GOVERNANCE COSTS		
	Independent Examiners Fee	788	695
	TOTAL CHARITABLE COSTS	<u>56,867</u>	<u>56,299</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.

	2022	2021
S Glossop	£0	£6,235 - secretarial work, magazine, office administration and facilities management
H Ashton	£123	£34 - travel
D Adams	£0	£3,160 - magazine and website
A Webb	£191	£264 - conductor expenses
D Greenhalgh	£0	£125 - office administration and music expenses
J Mentha	£73	£0 - travel

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 2022

NOTES TO THE FINANCIAL STATEMENTS

4.	INVESTMENTS	2022	2021
		£	£
	Market value at 1st January 2022	252,959	247,755
	Additions	265,444	197,787
	Disposals	(307,095)	(212,862)
	Realised (Losses)/gains	(27,356)	11,307
	Unrealised (Losses)/gains	(7,264)	8,972
	Market value at 31st December 2022	176,688	252,959
	Capital Account	6,149	7,504
	TOTAL INVESTMENTS AT 31ST DECEMBER 2022	182,837	260,463
	Historical cost at 31st December 2022	180,004	235,771
5.	DEBTORS - DUE WITHIN ONE YEAR	2022	2021
		£	£
	Prepayments	1,050	230
6.	CREDITORS - DUE WITHIN ONE YEAR	2022	2021
		£	£
	Accruals and deferred income	4,417	5,703
7.	STATEMENT OF FUNDS - 2022		

	b/fwd 1st January 2022	Income	Expenditure	Losses on Investments 31st December 2022	c/fwd
	£	£	£	£	£
Restricted funds	-	1,750	-	-	1,750
General unrestricted	111,571	29,490	(56,867)	(34,620)	49,574
Designated - Project fund	20,000	-	-	-	20,000
- Property fund	180,000	-	-	-	180,000
Total funds	311,571	31,240	(56,867)	(34,620)	251,324

- Project development fund - £20,000 to fund development projects or to provide match funding for funding applications to third parties for project funding
- Property fund - £180,000 to fund potential costs associated with relocating premises, and to provide an income to fund future rental costs.
- Restricted funds - grants given for moving premises.

STATEMENT OF FUNDS - 2021

	b/fwd 1st January 2021	Income	Expenditure	Gains on Investments 31st December 2021	c/fwd
	£	£	£	£	£
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