

CMST
Trustees Annual Report
2024/2025

2025 marks an important year for Cornwall Music Service Trust (CMST) as it represents the 10th anniversary of operations for what is now one of Cornwall's largest cultural employers. To mark the occasion special events have been and will continue to be held throughout the year with a very special anniversary concert staged at the Hall for Cornwall. Hitting a milestone such as this creates an opportunity for reflection and from this strategic plans can be made for the short, mid and long term future for music education in Cornwall.

CMST's Head of Service, Dr Gareth Churcher, has carefully crafted an impact report which pulls together data realised over the last 10 years and with some further contextual information allows the reader to understand how the landscape of music education has changed. The full report can be found [here](#) (for those not accessing this report digitally an exploded hyperlink is provided in the footnotes¹). There is an impressive set of statistics that highlight the breadth and depth of CMST's service provision, its contribution to the culture and heritage of Cornwall and how, through its over 120 staff and freelance musicians, it has a major impact on the economic picture of this part of the South West of England. In addition to its traded activities through the three main arms of CMST, music education, early years music support and music therapy, there is evidence of the substantial amount of funding received via grant making bodies that has supported much needed initiatives and activity which in turn has provided intervention and support for the people of Cornwall. Through generous donations and bequests CMST has also been able to pay forward support for those who demonstrate need, helping to overcome myriad barriers to offer equitable access to our services. This report also demonstrates, through a very few chosen case studies of which there are many more, the life long impact that CMST has on people who engage with service provision.

The statistical analysis shows the geographic spread of delivery but also how this provision is broken down into instrumental families and subsequent instruments. Notably the most favoured instruments presently, which has been the case since the COVID pandemic, are Guitar, Keyboard/Piano and Percussion. Previously the most popular instrumental family was Woodwind. It is a testament to the organisation that this shift in fashion has been

¹ https://drive.google.com/file/d/1_JS1xGLZaHLqS9w2Uy1YizMcVdkqX4BA/view?usp=drive_link

accommodated which in turn has allowed the business to continue to thrive however the consequences are that Cornwall's network of ensembles has been adversely impacted. Instruments that used to be very popular such as the flute and clarinet are now underrepresented and this in addition to the already categorised 'endangered species' such as bassoon, bass clarinet, tuba, trombone and french horn creates a real question mark over the viability and sustainability of certain ensembles. CMST is leveraging this data to address these concerns within the realms of its capacity but it will require a broader connected strategy from multiple organisations to reinvigorate this very important educational and cultural part of Cornwall's heritage.

Turning to this year's financial performance CMST has managed to navigate some challenges owing to financial resilience and rigour thanks to the hard work of the office team. The client management system, SpeedAdmin, is now in its third academic year cycle and proving extremely valuable. The software not only provides the finance operation but has inbuilt and adaptive data analysis tools that allow real time updates on provision. The management structure of CMST is working well both in terms of managing logistics, staff professional development and developing the staff base more broadly. Strategic meetings are held frequently between the office team, Head of Service and managerial staff to ensure effective communication and planning. Looking ahead a new initiative offering internal funding to support development work will be launched in the next academic year with the managerial staff able to apply for funding to address some of the aforementioned challenges in regards to underrepresented instruments.

The Head of Service is effective in maintaining relationships with key partners and stakeholders and keeps regular meetings with AsOne, the hub lead organisation for Cornwall. Recently it has been announced that Arts Council England will retain the contract of disseminating Department for Education funding for music education through the music hub network for the 2026/2027 academic year. A new model will be deployed thereafter with the creation of the National Centre for Music and the Arts. This all will impact CMST in some way so senior leadership and Trustees remain engaged with developments in this area.

Charity registration number 1159622

Company registration number 09268124 (England and Wales)

CORNWALL MUSIC SERVICE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

CORNWALL MUSIC SERVICE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Johnson Mr A T L Retallack Mrs J M R Brant Mr P Kneebone Mrs J A Scarborough Mrs E Sibley Miss R M J Thomas Mrs A L Tomkinson Mr R Osmond	(Appointed 20 February 2025) (Appointed 20 February 2025)
Senior management	Dr G Churcher	Head of Service
Charity number	1159622	
Company number	09268124	
Registered office	Truro School Trennick Lane TRURO Cornwall England TR1 1TH	
Auditor	TC Group Vivian House Newham Road Truro Cornwall United Kingdom TR1 2DP	
Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP	
Solicitors	Foot Anstey LLP High Water House Malpas Road Truro Cornwall TR1 1QH	

CORNWALL MUSIC SERVICE TRUST

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CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

- to advance education within the framework of the arts for the benefit of the public of Cornwall and elsewhere.
- to advance the arts and culture for the benefit of the public, particularly but not exclusively by promoting and facilitating access to and performance of music and other art forms.
- to provide for the recreation of children, young people and adults for the benefit of the public by providing facilities and services to them in the interests of social welfare with the object of improving their conditions of life.
- to promote and provide for the public benefit music therapy for the relief of physical and mental illness and disability, the alleviation of developmental, emotional, social and behavioural difficulties and the protection and promotion of good health in children and adults, in particular, but not exclusively, in Cornwall and the Isles of Scilly.

Our Vision

We aspire to become a leading Music Service in the United Kingdom.

Our Mission

To offer high quality music and performing arts education and related opportunities that support the aspirations of children, young people and adults in Cornwall and beyond.

Our Values

Our work will be guided by our commitment to the following values:

Quality: We strive for excellence through continuous improvement in all areas of our work.

Inclusiveness: We respect people, value diversity and are committed to equality and open access.

Inspiration: We encourage imaginative and creative approaches in our activities.

Innovation: We welcome new developments and their application in music education.

Health and Wellbeing: We believe in the health and wellbeing benefits of engagement with music.

Caring: We believe in an understanding and compassionate ethos for our staff, students and all those we engage with.

Collaboration: We foster strong partnerships and links with other organisations and individuals.

Enjoyment: We see this as one of the hallmarks of our success.

CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Our broad objectives can be grouped as follows:

Learner Experience

- Identify and nurture talent of all abilities across all levels and stages, from learners that are just embarking on their first musical experiences to those who are exceptionally gifted and talented and demonstrate high levels of excellence
- Be inclusive; to reach all learners including those that are socially, educationally, geographically, physically or financially challenged
- Ensure that our curricula are ethnically and culturally diverse and inclusive
- Develop a range of formal and non-formal teaching methods that engage and encourage all learners
- Provide exciting and engaging performance opportunities
- Support and develop an Ensemble Network for instrumental and vocal performers (including adult learners)
- Provide and signpost opportunities for progression
- Develop a formal annual reporting system to facilitate feedback to students and their parents/carers
- Develop a system of bursaries to support the Learner Experience

Partnership with Educational Establishments

- Support educational establishments in recognising the value of music
- Exercise our influence in the provision of suitable environments for musical activities
- Engage, where possible with the latest research and development in music education
- Promote partnerships with a wide range of organisations including schools, colleges, universities, conservatoires and wider educational establishments
- Encourage dialogue with the informal and independent teaching sector, especially with the aim of promoting good teaching practice and teacher development

Service Development

- Develop an Early Years Music Strategy
- Develop a Vocal Strategy
- Develop a sustainable First Access programme
- Maintain a strong working relationship with Cornwall Music Education Hub, whilst being prepared for changes in national policy
- Make bids and applications for grant funding to other organisations with a view to increasing or enhancing our services
- Explore working with other performing art forms
- Maintain and develop Music Therapy

Organisational Framework

- Maintain a financially sustainable organisation
- Provide a safeguarded teaching environment that protects learners and teachers
- Develop a Quality Assurance Strategy
- Develop a robust system for staff appraisal and development
- Develop our Health and Wellbeing Strategy
- Identify and provide opportunities for developing the skills of Trustees and the effectiveness of the Board of Trustees
- Make best use of appointed advisers and friends scheme

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Cornwall Music Service Trust provides music education for in excess of 10,000 pupils across all key stages and including further and higher education.

Cornwall Music Service Trust devotes significant time and resources to engagement with the local community, further details of which are given in the Public Benefit section below.

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Grant making policy

Access to music education we offer should not be restricted to those who can afford our fees. As a registered provider for the Cornwall Music Education Hub, Cornwall Music Service Trust can offer subsidised activities to those children currently eligible for means tested free school meals, children currently in care, children with one or more parents serving in the British Armed Forces, children or a parent in receipt of Personal Independence Payment and children with a Education, Health and Care Plan. In addition Cornwall Music Service Trust offers, on an application and audition basis, an award scheme to those children who, at all levels, show exceptional talent. A successful candidate will be entitled to a subsidised one to one lesson funded internally by Cornwall Music Service Trust.

Volunteers

Three working groups of volunteers have been established by the Board of Trustees these being: Funding Working Group - established to look at all aspects of fundraising including potential funding opportunities from external bodies and working within the Terms & Conditions set by the Board of Trustees. Advisory Panel - a panel of educators, musicians etc. that can be called upon for external advice to support and aid the Board of Trustees and Head of Service. Early Years Steering Group - following its objectives and aims, Cornwall Music Service Trust has embarked on an Early Years Music Service for 0-5s. To effectively implement this delivery CMST has called upon and will continue to draw upon the expertise of many Early Years practitioners.

Achievements and performance

Significant activities and achievements against objectives

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Fundraising practices

The work towards increasing the development and fundraising activity within Cornwall Music Service Trust enables the fulfilment of its charitable objectives.

No professional fundraisers are used.

The Charity always adheres to best practice when working with vulnerable children and adults. Its safeguarding policy covers all areas of the Charity's activities including any fundraising activities.

Investment performance

CMST has been able to dedicate some financial reserves to investment. After careful consideration and due diligence, an amount has been invested with M and G Securities. The return on investment has already been healthy allowing for the interest earned to be used for development work in the North of Cornwall.

Financial review

The Company's principal source of income is music tuition fees which were £1,523,771 (2024: £1,500,820). All of Cornwall Music Trust's expenditure was spent in advancement of its charitable objectives.

The net incoming resources for the year were £72,539 (2024: £40,426).

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The reserves policy of Cornwall Music Service Trust has been reviewed by the Board of Trustees during the year. Free reserves are regarded as those unrestricted funds that have not been designated for any specific purpose. At 31 August 2025 the Company had free reserves of £233,443 (2024: £150,102).

The Board of Trustees have carefully considered the level of reserves appropriate to be held by Cornwall Music Service Trust necessary for contingencies and movements in working capital. Having regard to the likelihood of financial risks and mitigating factors including its group structure, it considers the maximum level of free reserves required to be the equivalent of 2 months of gross salary costs, approximately 17% of turnover. The trustees aim is to increase this to 4 months of gross salaries in the light of the effects of the Covid-19 pandemic.

The Board of Trustees have passed this proposal and Cornwall Music Service Trust is working towards accumulating the free reserves aforementioned.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The total reserves at 31st August 2025 were £746,649 (2024: £674,110). This includes free reserves of £233,443 (2024: £150,102), designated reserves of £501,783 (2024: £502,576), and restricted reserves of £11,423 (2024: £21,432).

The deficit fund, which is a designated fund, totals £500,000. It is held to ensure that the charity has sufficient free reserves outlined in the reserves policy.

CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Investment policy

The trustees have reviewed the social, environmental and ethical considerations when setting an investment policy and making investments.

The year end market value of the investment portfolio was £313,815. During the prior year, the trustees made the decision to invest £300k of the charity's free reserves with M & G Securities.

Plans for future periods

Cornwall Music Service Trusts "Potential Future Activities" (detailed in its Business Plan), as drawn up by the Senior Management Team, after consultation with the key stakeholders, and as approved by the Board of Trustees, provides the focus for the future development of Cornwall Music Service Trust. In particular, the future activities embrace the aspirations of Cornwall Music Service Trust for teaching developments, the growth of marketing, pupil numbers, enhanced staffing and the development of its delivery.

- Expand current delivery to outreach to further educational establishments and other organisations
- Create a strong cohesion with Truro School thus providing a Music Centre for Cornwall
- Explore & develop Music Technology education and digital music provision
- Create an internal assessment programme for students for all musical disciplines
- Provide a highly professional service to schools, Further Education and Higher Education and the wider community
- Work closely with national and international musicians, educators, conductors and clinicians to provide the highest quality masterclasses and holiday music schools
- Explore funding for bespoke programmes of work
- Create an e-learning environment to support the initial stages of music education
- Develop Early Years Music Provision and Training for Early Years practitioners
- Nationwide consultancy on Music Service Trust Formation
- Online delivery via Skype and Online Orchestra software in collaboration with Falmouth University to provide delivery to the hardest to reach areas and connect musicians that are isolated
- Bespoke workshops and projects for schools and the wider community.
- Weekend and evening workshops, etc - ie - Saturday morning theory classes
- Summer school and holiday courses
- Digital technology projects
- Performance opportunities at all levels; large scale and smaller settings - CMST cluster performances - bring groups of schools together for a massed performance.
- CMST Schools Prom - An annual performance to all primary schools using CMST ensembles giving an educational experience and demonstration encouraging new young people to learn
- Advice on purchase of musical instruments and resources in school
- One off supply days - music cover
- Write new performance and teaching material - this could be for individual instruments or for small ensembles. It could then be sold to pupils both in Cornwall and elsewhere as CMST Publications.
- Twilight training sessions for teachers on a whole variety of musical techniques, skills and tasks. This might include setting up an ensemble, conducting skills, composition starting points, working towards a performance

CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

- CPD presentations to Primary and Secondary Initial Teacher Training bodies - annual
- Secondary Head of Music Departments meetings and conferences
- Make the Cornwall Youth Jazz Festival an annual event
- Make the Cornwall Horn Festival an annual event
- Develop and expand Music Therapy provision
- Longer term; to look for funding to establish 'Music Centres' in the West and North & East of Cornwall along with collaborating with Truro School to find a central Music Centre
- After establishment of Music Centres appoint Area Managers to coordinate delivery in these areas
- Review management structure of CMST
- Review business plan and 5 year financial forecast in line with the above future plans as an ongoing activity
- Create a strong partnership with the City of London Symphonia including support in delivering their educational outreach programme
- Work closely and advise Trinity College of London or another national Music College on various aspects of delivery including but not exclusively the research element into the examination process and an online alternative
- Advise nationally on Early Years Music Education

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on the 16 October 2014 and registered as a charity on 15 December 2014. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Charity constitution

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association the members of the Board of Trustees are elected to serve for a period of three years after which they must be re-elected at the next General Meeting. All members of the Board of Trustees give their time voluntarily and received no benefits from the charity. As Cornwall Music Service Trust has many roles to play in the educational sector the Trustees have been selected for the wide and diverse skill base they have to offer. In an effort to maintain this broad skill mix, members of the Board of Trustees are requested to provide a list of their skills (and update it each year) and in the event of particular skill being lost due to retirements, individuals are approached to offer themselves for election to the Board of Trustees.

CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr A Johnson

Mr A T L Retallack

Mrs J M R Brant

Mr P Kneebone

Mrs J A Scarborough

Mrs E Sibley

Miss R M J Thomas

Mrs J M Bailey

(Resigned 14 February 2025)

Mr D I Solly

(Resigned 14 February 2025)

Mrs A L Tomkinson

(Appointed 20 February 2025)

Mr R Osmond

(Appointed 20 February 2025)

Recruitment and appointment of trustees

Trustees are nominated and appointed by the Board of Trustees. Appointments are for a period of three years which is renewable. The induction of new Trustees is the responsibility of the Chair and the Head of Service. All trustees, due to the nature of the work of Cornwall Music Service Trust, have enhanced Disclosure & Barring Service checks and are routinely updated on Safeguarding for Children and Vulnerable Adults.

There were two new Trustees appointed during the year.

Organisational structure

The Board of Trustees for Cornwall Music Service Trust, which meets at least three times a year, are responsible for the general policy and strategic direction of Cornwall Music Service Trust. In addition the Board of Trustees are legally responsible for the overall management and control of Cornwall Music Service Trust. The work of implementing most of their policies and day to day management is delegated to the Head of Service, supported by his Senior Team Managers. At present there are 9 Trustees from a variety of professional backgrounds relevant to the work of Cornwall Music Service Trust who form the Board of Trustees.

National benchmarking is used in setting pay for key management personnel but always with the Charity's affordability in mind.

Relationship with related parties

CMST will partner with a number of local organisations. These include the following:

Cornwall Music Education Hub for curriculum leadership, ensemble leadership, ensemble coordination, ensemble staffing, first access management and liaison, first access provision and minority instrument scheme delivery. Cornwall Council Local Authority for SEN delivery and inclusion delivery (disadvantaged families remissions funded). Cornwall's Schools for ensemble support, classroom support and curriculum delivery. Further Education Colleges & Higher Education Institutions for strategic links for service development and training of music teachers

CORNWALL MUSIC SERVICE TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Statement of trustees' responsibilities

The trustees, who are also the directors of Cornwall Music Service Trust for the purpose 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 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, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping 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 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.

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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


Miss R M J Thomas
Trustee

Date: 23/3/2025

CORNWALL MUSIC SERVICE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CORNWALL MUSIC SERVICE TRUST

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

CORNWALL MUSIC SERVICE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CORNWALL MUSIC SERVICE TRUST

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

CORNWALL MUSIC SERVICE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CORNWALL MUSIC SERVICE TRUST

Obtain an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates;

- Review of the disclosures in the financial statements and testing to support documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Discussion with management as to how compliance with these laws and regulations is monitored;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit approach also considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition.

Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue
- Performing completeness testing on a sample of significant projects undertaken during the year
- Performing cut off testing on income
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business
- Reviewing estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

CORNWALL MUSIC SERVICE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CORNWALL MUSIC SERVICE TRUST

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Pearce (Senior Statutory Auditor)
for and on behalf of TC Group

24/03/2026
.....

Chartered Accountants
Statutory Auditor

Vivian House
Newham Road
Truro
Cornwall
United Kingdom
TR1 2DP

CORNWALL MUSIC SERVICE TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income and endowments from:							
Donations and legacies	3	29,066	31,980	61,046	8,321	21,905	30,226
Charitable activities	4	1,677,032	1,653	1,678,685	1,673,356	-	1,673,356
Other trading activities	5	8,750	-	8,750	2,135	-	2,135
Investments	6	18,239	-	18,239	9,455	-	9,455
Other income	7	55,459	-	55,459	66,031	-	66,031
Total income		<u>1,788,546</u>	<u>33,633</u>	<u>1,822,179</u>	<u>1,759,298</u>	<u>21,905</u>	<u>1,781,203</u>
Expenditure on:							
Raising funds	8	10,233	-	10,233	1,583	-	1,583
Charitable activities	9	1,703,867	43,642	1,747,509	1,729,219	15,688	1,744,907
Total expenditure		<u>1,714,100</u>	<u>43,642</u>	<u>1,757,742</u>	<u>1,730,802</u>	<u>15,688</u>	<u>1,746,490</u>
Net gains/(losses) on investments	15	<u>8,102</u>	<u>-</u>	<u>8,102</u>	<u>5,713</u>	<u>-</u>	<u>5,713</u>
Net income/(expenditure) and movement in funds		82,548	(10,009)	72,539	34,209	6,217	40,426
Reconciliation of funds:							
Fund balances at 1 September 2024		<u>652,678</u>	<u>21,432</u>	<u>674,110</u>	<u>618,469</u>	<u>15,215</u>	<u>633,684</u>
Fund balances at 31 August 2025		<u>735,226</u>	<u>11,423</u>	<u>746,649</u>	<u>652,678</u>	<u>21,432</u>	<u>674,110</u>

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

CORNWALL MUSIC SERVICE TRUST

BALANCE SHEET

AS AT 31 AUGUST 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	17		-		1,833
Tangible assets	18		5,858		10,016
Investments	19		313,815		305,713
			<u>319,673</u>		<u>317,562</u>
Current assets					
Debtors	20	134,249		197,126	
Cash at bank and in hand		337,557		224,031	
		<u>471,806</u>		<u>421,157</u>	
Creditors: amounts falling due within one year	21	(44,830)		(64,609)	
Net current assets			<u>426,976</u>		<u>356,548</u>
Total assets less current liabilities			<u>746,649</u>		<u>674,110</u>
Net assets excluding pension liability			<u>746,649</u>		<u>674,110</u>
			<u><u>746,649</u></u>		<u><u>674,110</u></u>
The funds of the charity					
Restricted income funds	23		11,423		21,432
Unrestricted funds			735,226		652,678
			<u>746,649</u>		<u>674,110</u>
			<u><u>746,649</u></u>		<u><u>674,110</u></u>

The financial statements were approved by the trustees on 23/3/2026


 Miss R M J Thomas
 Trustee

Company registration number 09268124 (England and Wales)

CORNWALL MUSIC SERVICE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

		2025		2024	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		95,917		(34,471)
Investing activities					
Purchase of tangible fixed assets		(630)		(4,886)	
Purchase of investments		-		(300,000)	
Investment income received		18,239		9,455	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			17,609		(295,431)
Net cash used in financing activities			<u> </u>		<u> </u>
			-		-
Net increase/(decrease) in cash and cash equivalents			113,526		(329,902)
Cash and cash equivalents at beginning of year			<u>224,031</u>		<u>553,933</u>
Cash and cash equivalents at end of year			<u><u>337,557</u></u>		<u><u>224,031</u></u>

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

The charitable company is incorporated in England and Wales and is limited by guarantee and does not have a share capital. In the event of the Company being wound up each member is liable to contribute a sum not exceeding £1.

There were 9 members at 31 August 2025 (2024: 9).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Fee income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts.

1.5 Expenditure

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

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

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Website	33% on cost
---------	-------------

1.7 Tangible fixed assets

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

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

Computers	33% on cost
Instruments	25% on cost

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

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

1.10 Cash and cash equivalents

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

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include stock, trade debtors, other debtors, and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

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

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

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

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.12 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.13 Employee benefits

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

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

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The trustees do not believe there are any critical judgements that have been made in applying the charity's accounting policies.

Key sources of estimation uncertainty

Valuation of fixed asset investments

Fixed asset investments are included in the accounts at a valuation determined annually by the investment portfolio managers. The valuation of current asset investments are based on observable market prices. Such valuations are subjective and prone to changes in the market and other economic factors.

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

2 Critical accounting estimates and judgements

(Continued)

Useful economic life of tangible fixed assets

The charity makes an estimate for the useful economic life of tangible fixed assets taking into account the age, condition, residual value and the expectations for the usage of each class of asset and applies a policy to charge depreciation on a systematic basis over that useful life, taking into account any impairment that has been identified.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	29,066	2,188	31,254	8,321	4,484	12,805
Grants	-	29,792	29,792	-	17,421	17,421
	<u>29,066</u>	<u>31,980</u>	<u>61,046</u>	<u>8,321</u>	<u>21,905</u>	<u>30,226</u>
Donations and gifts						
Donations and gifts	26,876	2,188	29,064	5,292	4,484	9,776
Gift aid	2,190	-	2,190	3,029	-	3,029
	<u>29,066</u>	<u>2,188</u>	<u>31,254</u>	<u>8,321</u>	<u>4,484</u>	<u>12,805</u>
Grants receivable for core activities						
Headley Trust	-	-	-	-	1,765	1,765
The National Foundation for Youth Music	-	12,177	12,177	-	14,906	14,906
Ruth Burden Community Trust	-	-	-	-	750	750
Jessies Fund	-	3,460	3,460	-	-	-
Cornwall Community Foundation	-	1,000	1,000	-	-	-
The James Sargent Early Years Music Education Trust	-	10,995	10,995	-	-	-
Cornwall Council	-	2,160	2,160	-	-	-
	<u>-</u>	<u>29,792</u>	<u>29,792</u>	<u>-</u>	<u>17,421</u>	<u>17,421</u>

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

3 Income from donations and legacies

(Continued)

Headley Trust - grants have been received for £Nil (2024: £1,765) to subsidise music tuition lessons.

The National Foundation for Youth Music - grants have been received for £12,177 (2024: £14,906) to support Early Years Music Education.

Ruth Burden Community Trust - a grant has been received for £Nil (2024: £750) to support Early Years Music Education.

Jessies Fund - a grant has been received for £3,460 (2024: £Nil) to support music therapy.

Cornwall Community Foundation - a grant has been received for £1,000 (2024: £Nil) to support Early Years Music Education.

The James Sargent Early Years Music Education Trust - grants have been received for £10,955 (2024: £Nil) to support Early Years Music Education.

Cornwall Council - a grant has been received for £2,160 (2024: £Nil) to support music therapy.

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Provision of music education, therapy and early years (0-5) service for children and young people and the wider community in Cornwall						
Music tuition fees	1,522,571	1,200	1,523,771	1,500,820	-	1,500,820
Music therapy fees	154,461	453	154,914	172,536	-	172,536
	<u>1,677,032</u>	<u>1,653</u>	<u>1,678,685</u>	<u>1,673,356</u>	<u>-</u>	<u>1,673,356</u>

CORNWALL MUSIC SERVICE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025****5 Income from other trading activities**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
T-shirt income	60	1,456
Goods and services recharged	8,690	679
	<hr/>	<hr/>
Other trading activities	8,750	2,135
	<hr/>	<hr/>

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fixed asset investment income	13,073	2,905
Interest receivable	5,166	6,550
	<hr/>	<hr/>
	18,239	9,455
	<hr/>	<hr/>

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	55,459	66,031
	<hr/>	<hr/>

Other income relates to the receipt of Orchestra Tax Relief claimed from HMRC, event and workshop income, and miscellaneous income.

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

8 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	1,306	-
	<hr/>	<hr/>
Trading costs		
Other trading activities	8,927	1,583
	<hr/>	<hr/>
Total costs	10,233	1,583
	<hr/> <hr/>	<hr/> <hr/>

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

9 Expenditure on charitable activities

	Provision of music education, therapy and early years (0-5) service for children and young people and the wider community in Cornwall 2025 £	Provision of music education, therapy and early years (0-5) service for children and young people and the wider community in Cornwall 2024 £
Direct costs		
Staff costs	1,585,774	1,571,830
Depreciation and impairment	4,788	5,514
Premises costs	14,289	13,974
Finance costs	2,507	2,837
Bad debts written off	26,253	40,920
	<hr/>	<hr/>
	1,633,611	1,635,075
 Share of support and governance costs (see note 11)		
Support	96,553	92,337
Governance	17,345	17,495
	<hr/>	<hr/>
	1,747,509	1,744,907
	<hr/>	<hr/>
 Analysis by fund		
Unrestricted funds	1,703,867	1,729,219
Restricted funds	43,642	15,688
	<hr/>	<hr/>
	1,747,509	1,744,907
	<hr/>	<hr/>

CORNWALL MUSIC SERVICE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025****10 Description of charitable activities**Provision of music education, therapy and early years (0-5) service for children and young people and the wider community in Cornwall

Provision of music education for children and young people in Cornwall. This includes instrumental and vocal lessons for individuals, provision of group activities and support within Cornwall's schools and other educational establishments. The Cornwall Music Service Trust is a recognised provider operating within the Cornwall Music Education Hub framework. Music therapy services are provided to a wide range of clients offering a life changing intervention. Early years music education (0-5s) provides music education and activity that draws on the innate musicality of very young children.

11 Support costs allocated to activities

	2025	2024
	£	£
Depreciation	1,833	1,834
Insurance	6,030	4,976
Postage and stationery	170	1,313
Sundries	4,716	3,378
Subscriptions and memberships	4,278	4,450
Advertising and marketing	1,914	2,844
IT software and consumables	21,718	21,042
Use of funds towards tuition	2,269	1,108
Ensemble, workshop, and inset expenses	20,751	13,776
Travel expenses and staff benefits	19,445	33,737
Subcontractors	13,429	3,879
Governance costs	17,345	17,495
	<u>113,898</u>	<u>109,832</u>
Analysed between:		
Provision of music education, therapy and early years (0-5) service for children and young people and the wider community in Cornwall	<u>113,898</u>	<u>109,832</u>

12 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	10,862	14,400
Depreciation of owned tangible fixed assets	4,788	5,514
Amortisation of intangible assets	<u>1,833</u>	<u>1,834</u>

CORNWALL MUSIC SERVICE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025****13 Trustees**

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

14 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Teaching	108	110
Administration	3	3
	<hr/>	<hr/>
Total	111	113
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2025	2024
	£	£
Wages and salaries	1,426,548	1,434,301
Social security costs	110,919	92,182
Other pension costs	48,307	45,347
	<hr/>	<hr/>
	1,585,774	1,571,830
	<hr/> <hr/>	<hr/> <hr/>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025	2024
	Number	Number
£70,001 - £80,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	73,160	71,176
	<hr/> <hr/>	<hr/> <hr/>

CORNWALL MUSIC SERVICE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2025****15 Gains and losses on investments**

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Gains/(losses) arising on:		
Revaluation of investments	8,102	5,713

16 Taxation

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

17 Intangible fixed assets

	Website £
Cost	
At 1 September 2024 and 31 August 2025	8,860
Amortisation and impairment	
At 1 September 2024	7,027
Amortisation charged for the year	1,833
At 31 August 2025	8,860
Carrying amount	
At 31 August 2025	-
At 31 August 2024	1,833

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

18 Tangible fixed assets

	Computers £	Instruments £	Total £
Cost			
At 1 September 2024	6,691	18,861	25,552
Additions	-	630	630
	<hr/>	<hr/>	<hr/>
At 31 August 2025	6,691	19,491	26,182
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 September 2024	3,723	11,813	15,536
Depreciation charged in the year	1,317	3,471	4,788
	<hr/>	<hr/>	<hr/>
At 31 August 2025	5,040	15,284	20,324
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 August 2025	1,651	4,207	5,858
	<hr/>	<hr/>	<hr/>
At 31 August 2024	2,968	7,048	10,016
	<hr/>	<hr/>	<hr/>

19 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 September 2024	305,713
Valuation changes	8,102
	<hr/>
At 31 August 2025	313,815
	<hr/>
Carrying amount	
At 31 August 2025	313,815
	<hr/>
At 31 August 2024	305,713
	<hr/>

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

19 Fixed asset investments (Continued)

	2025	2024
	£	£
Investments at fair value comprise:		
Cost	300,000	300,000
Valuation in 2024	5,713	5,713
Valuation in 2025	8,102	-
	<u>313,815</u>	<u>305,713</u>

Fixed asset investments were valued on an open market basis on 31 August 2025 by M & G Securities.

All investments are listed on the UK stock exchange.

There were no investment assets outside the UK.

20 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	77,615	73,197
Other debtors	50,582	116,786
Prepayments and accrued income	6,052	7,143
	<u>134,249</u>	<u>197,126</u>

21 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	14,474	15,161
Trade creditors	8,118	8,632
Other creditors	7,641	7,594
Accruals and deferred income	14,597	33,222
	<u>44,830</u>	<u>64,609</u>

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

22 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	48,307	45,347
	<u> </u>	<u> </u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

Included in creditors at the year end was £7,642 (2024: £7,594) in respect of the defined contribution pension scheme.

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

23 Restricted funds

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

	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Early Years Music Education	254	-	(184)	-	70
Radford Trust	464	-	(96)	-	368
Cornwall Community Fund - Early Years	114	-	(112)	-	2
Music Therapy for Holly Martin	(374)	1,393	(1,020)	-	(1)
General Music Therapy Fund	2,867	648	-	(2,268)	1,247
Cornwall Community Fund - for Music Therapy and Inclusion Project	2,115	-	(1,510)	-	605
Headley Trust	1,765	-	(1,765)	-	-
Pitch up and Sing Fund	(53)	600	(1,574)	1,428	401
Cornwall Community Foundation - Ruth Burden Community Trust	750	555	(1,170)	-	135
The National Foundation for Youth Music	13,530	22,617	(30,491)	-	5,656
The Roseland Academy Jazz Project	-	1,200	(1,200)	-	-
Jessies Fund	-	3,460	(3,240)	-	220
Cornwall Community Foundation - Papillion Fund	-	1,000	-	-	1,000
Cornwall Council - Music Therapy	-	2,160	(1,200)	-	960
MT Partnership - Cornwall Women's Fund	-	-	(80)	840	760
	<u>21,432</u>	<u>33,633</u>	<u>(43,642)</u>	<u>-</u>	<u>11,423</u>

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

23 Restricted funds

(Continued)

Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Early Years Music Education	2,556	1,376	(3,678)	-	254
Radford Trust	824	-	(360)	-	464
Cornwall Community Fund - Early Years	114	-	-	-	114
Music Therapy for Holly Martin	886	481	(1,741)	-	(374)
General Music Therapy Fund	835	2,323	(291)	-	2,867
Cornwall Community Fund - for Music Therapy and Inclusion Project	10,000	-	(7,885)	-	2,115
Headley Trust	-	1,765	-	-	1,765
Pitch up and Sing Fund	-	1,680	(1,733)	-	(53)
Cornwall Community Foundation - Ruth Burden Community Trust	-	750	-	-	750
The National Foundation for Youth Music	-	13,530	-	-	13,530
	<u>15,215</u>	<u>21,905</u>	<u>(15,688)</u>	<u>-</u>	<u>21,432</u>

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

23 Restricted funds

(Continued)

Details of the purpose of the restricted funds is as follows:

- Early Years Music Education: Donation from James Sargent (Trustee) for Early Years Music Education Service.
- Radford Trust Covid grant: Funding to support children and young people who were financially disadvantaged due to COVID-19 and otherwise would not be able to continue receiving music education.
- Cornwall Community Fund - Early Years: Funding for the provision of Music to children specifically in the early years (0-5s).
- Music Therapy for Holly Martin: Ringfenced fund for music therapy support to Holly Martin.
- General Music Therapy Fund: Funding to be used only for the provision of Music Therapy.
- Cornwall Community Fund - for Music Therapy and Inclusion Project: Funding obtained by Equality, Diversity and Inclusion lead for a bespoke therapy and inclusion project.
- Headley Trust: Grant received for the purpose of subsidising tuition lessons.
- Pitch Up and Sing Fund: Donations received ringfenced for music therapy dementia group costs.
- Cornwall Community Foundation - Ruth Burden Community Trust:
- The National Foundation for Youth Music: Funding to used for the Early Years Baby Sounds project.
- The Roseland Academy Jazz Project - Funding to be used for the Roseland Academy bespoke music project.
- Jessies Fund - Funding to be used only for the provision of Music Therapy.
- Cornwall Community Foundation - Papillion Fund - Early Years: Funding for the provision of Music to children specifically in the early years (0-5s).
- Cornwall Council - Music Therapy - Funding to be used only for the provision of Music Therapy.
- MT Partnership - Cornwall Women's Fund - Funding to be used only for the provision of Music Therapy.

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

24 Unrestricted funds

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

	At 1 September 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2025
	£	£	£	£	£	£
Deficit Reserve	500,000	-	-	-	-	500,000
Mark Wilkin Memorial Bursary	1,646	-	(408)	-	-	1,238
Superstrings Group	930	364	(749)	-	-	545
General funds	150,102	1,788,182	(1,712,943)	-	8,102	233,443
	<u>652,678</u>	<u>1,788,546</u>	<u>(1,714,100)</u>	<u>-</u>	<u>8,102</u>	<u>735,226</u>
	<u><u>652,678</u></u>	<u><u>1,788,546</u></u>	<u><u>(1,714,100)</u></u>	<u><u>-</u></u>	<u><u>8,102</u></u>	<u><u>735,226</u></u>
Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 August 2024
	£	£	£	£	£	£
Deficit Reserve	300,000	-	-	200,000	-	500,000
Mark Wilkin Memorial Bursary	2,394	-	(748)	-	-	1,646
Superstrings Group	-	2,336	(1,406)	-	-	930
General funds	316,075	1,756,962	(1,728,648)	(200,000)	5,713	150,102
	<u>618,469</u>	<u>1,759,298</u>	<u>(1,730,802)</u>	<u>-</u>	<u>5,713</u>	<u>652,678</u>
	<u><u>618,469</u></u>	<u><u>1,759,298</u></u>	<u><u>(1,730,802)</u></u>	<u><u>-</u></u>	<u><u>5,713</u></u>	<u><u>652,678</u></u>

Included within the charity's funds is a revaluation reserve of £13,815 (2024: £5,713).

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

25 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Tangible assets	5,858	-	5,858
Investments	313,815	-	313,815
Current assets/(liabilities)	415,553	11,423	426,976
	<u>735,226</u>	<u>11,423</u>	<u>746,649</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Intangible fixed assets	1,833	-	1,833
Tangible assets	10,016	-	10,016
Investments	305,713	-	305,713
Current assets/(liabilities)	335,116	21,432	356,548
	<u>652,678</u>	<u>21,432</u>	<u>674,110</u>

26 Operating lease commitments

Lessee

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

	2025 £	2024 £
Within one year	<u>13,674</u>	<u>13,674</u>

Payments in connection with operating leases during the year totalled £13,674 (2024: £13,674). At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases.

CORNWALL MUSIC SERVICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

27 Related party transactions

During the year Cornwall Music Service Trust received donations from trustees and key management totalling £222 (2024: £236).

During the prior year Cornwall Music Service Trust received fixed assets with the value of £1,410 from an entity in which a trustee is the chair. The amount paid was £350 with £1,060 treated as a donation.

During the year Cornwall Music Service Trust received income totalling £4,599 (2024: £11,135) from entities in which there are common directors/trustees.

During the year Cornwall Music Service Trust incurred expenses totalling £14,419 (2024: £15,424) with entities in which there are common directors/trustees.

During the year a close family member of a trustee and key management personnel received wages of £13,841 (2024: £16,700).

During the prior year Cornwall Music Service Trust invested £400k with M & G Securities of which £100k belongs to The James Sargent Early Years Music Education Trust. This amount is not included in Cornwall Music Service Trust's accounts.

During the year the charity received grants from a trust in which key management personnel G Churcher is a trustee. The grants received totalled £10,995 (2024: £Nil).

28 Cash generated from operations	2025 £	2024 £
Surplus for the year	72,539	40,426
Adjustments for:		
Investment income recognised in statement of financial activities	(18,239)	(9,455)
Fair value gains and losses on investments	(8,102)	(5,713)
Amortisation and impairment of intangible assets	1,833	1,834
Depreciation and impairment of tangible fixed assets	4,788	5,514
Movements in working capital:		
(Increase)/decrease in stocks	-	30
Decrease/(increase) in debtors	62,877	(84,793)
(Decrease)/increase in creditors	(19,779)	17,686
Cash generated from/(absorbed by) operations	95,917	(34,471)

29 Analysis of changes in net funds

The charity had no material debt during the year.

Cornwall Music Service Trust

Management Report for the Year Ended 31st August 2025

Our Ref: COR2046

T. 01872 272047

www.tc-group.com

The Board of Trustees
Cornwall Music Service Trust

Dear Sirs

**AUDIT OF THE FINANCIAL STATEMENTS OF CORNWALL MUSIC SERVICE TRUST FOR THE
YEAR ENDED 31ST AUGUST 2025**

We have now completed our audit of the draft financial statements, subject to your approval of the financial statements and receipt of the standard representation letters that we will request.

We are pleased to enclose our report on the audit. The purpose of the report is to record the overall results of our work and to assist management by commenting on those matters that came to our attention during the course of the audit.

We would like to thank all staff who assisted us in the completion of our work.

Yours faithfully



James Pearce
Audit Director

CONTENTS

1. Executive summary	2
2. Adjusted and Unadjusted Errors	4
3. Taxation	4
4. <i>Observations on the systems of accounting and internal financial control</i>	5

This report is part of a continuing dialogue between the charity and ourselves and is therefore not intended to cover every matter discussed during the course of the audit. For this reason, the report is intended for the sole use of the charity. We do not accept responsibility to any member of the board of trustees acting in an individual capacity, and do not accept responsibility for any reliance that third parties may place on the report.

It should be noted that the primary objective of our audit is to express an opinion on the truth and fairness of the society accounts as a whole. An audit does not examine every operating activity and accounting procedure in the society, nor does it substitute for management's responsibility to maintain adequate controls over the society's activities. Our work is not designed therefore to provide a comprehensive statement of all weaknesses or inefficiencies that may exist in the charity's systems and working practices, or all improvements that could be made.

1. EXECUTIVE SUMMARY

1.1. Purpose

The purpose of this report is to record the overall results of our work and to assist the trustees by commenting on those matters that came to our attention during the course of the audit. These matters cover:

- Independence
- Materiality and Audit approach
- Comments on the accounting policies and practices applied when preparing the financial statements
- Summary of adjusted and unadjusted errors in the financial statements
- Suggestions for improvement to the company's accounting and financial control systems.
- Proposed audit opinion.

1.2. Independence

In accordance with auditing standards, we can confirm that any relationships that may bear on the firm's independence and the objectivity of the audit engagement partner and audit staff have been identified and assessed at the planning stage of our audit.

We have no independence issues to bring to your attention.

1.3. Audit approach and materiality

Our audit planning was carried out taking account of the issues highlighted through a planning meeting, and taking account our knowledge and understanding of the charity from previous years.

Materiality is reviewed annually and adjusted to take account of the business circumstances.

We are required to notify you of any potential adjustments identified during the course of our audit work unless they are clearly trifling, these are noted at 2.2.

1.4. Audit and accounting framework

Our audit of the charity was carried out in accordance with the Companies Act 2006.

We report to you as required under chapter 3 part 16 of the Companies Act 2006.

The charity was eligible to apply the small company provisions as it qualified as a small company under the Companies Act 2006.

1.5. Accounting policies and practices

In preparing the financial statements of the charity, the trustees are required under the accounting standards to review the charity's accounting policies on an annual basis to ensure they remain appropriate to the charity's circumstances and are being properly applied. We have reviewed the accounting policies and practices selected by the charity and are satisfied that they are acceptable.

1.6. Accounting and financial control systems

Based on our planning work the audit work was directed so as to place reliance on the accounting and financial control systems wherever possible.

We carried out our work mostly remotely this year with a day spent on site at the CMST offices based at Truro School.

We considered each of the main transaction cycles, reviewed financial procedures, conducted walkthrough tests of the systems and observed, documented and tested the key controls. Where appropriate we also carried out substantive transaction testing.

We have documented our findings and considered any areas of weakness and suggestions for improvement.

On the whole we found the charity had reasonable systems in place which provided a sound basis for the preparation of the accounts.

1.7. Proposed audit opinion

Based on the outcome of our audit work up to the present date and the amendments we have suggested to the accounts, and receiving the standard management representations that we will request from you, we propose to issue an unqualified audit report.

1.8. Matters for discussion

1. The material balance of potentially bad debts which had been left unpaid for a significant amount of time.
2. Monies and investments being held under the name of CMST on behalf of another trust (JSEYMET). We are aware that the funds held on behalf of JSEYMET have now been donated to CMST.

2. ADJUSTED AND UNADJUSTED ERRORS

2.1. Actual Audit Adjustments

	<i>Total</i> £'s
Surplus / (Deficit) per draft accounts	111,680
Being adjustment to website amortisation	1
Being unrealised gain on investments – transferred from balance sheet	8,102
Being increase in bad debt provision	(47,244)
Surplus / (Deficit) per statutory accounts	72,539

2.2. Potential Audit Adjustments

The following potential adjustments having an impact on the reported surplus have been noted during the course of our audit but have not been adjusted on the basis they are not material, and in this case is a projected error from minor items identified in our test sample.

	<i>Total</i> £'s
Being projected difference from the wages analytical review	(9,722)

3. TAXATION

As a charity, this organisation is exempt from corporation tax on its charitable activities. We have not identified any non-charitable trading activities that would be subject to tax.

4. OBSERVATIONS ON THE SYSTEMS OF ACCOUNTING AND INTERNAL FINANCIAL CONTROL

	Subject	Grade
1	The bad debt provision did not cover the amount of potential bad debts included within Debtors.	1
2	Not all employees had signed contracts of employment.	2
3	Expenditure is posted on the payment date rather than the invoice date.	3
4	JSEY funds are becoming more integrated with CMST's accounts.	1

We have used the following grading system to indicate the significance of the matters we have raised and the priority that we believe should be given to our recommendations:

Grade 1: We believe these observations are particularly significant and that management should take prompt action.

Grade 2: These observations are significant but of a less urgent nature than grade 1 observations. We believe that action needs to be taken within agreed timescales.

Grade 3: Observations that merit attention but are less significant than grade 1 and 2 observations.

1	The bad debt provision did not cover the amount of potential bad debts within Debtors.	Grade 1			
<p><i>Issue</i></p> <p>When reviewing the old debts within Xero and SpeedAdmin we noticed there had been very few receipts in settlement of these balances between September 2025 and the date of our audit fieldwork. This resulted in a balance of £93k being classed as a potential bad debt compared to the £46k provision that was included in the draft accounts.</p> <p>The trustees have a duty to protect the assets of the charity from undue risk. Incurring bad debts at this level over successive years may be seen as being at odds with this requirement. Steps must be taken to limit the charity's exposure to the risk of bad debts.</p>					
<table> <tr> <td> <p><i>Recommendation</i></p> <p><i>We recommend that debts are reviewed and chased regularly and that if a debt is unlikely to be received, a suitable provision is made to cover these potential bad debts.</i></p> <p><i>You might consider ceasing to provide tuition to students when their payments become overdue.</i></p> </td><td> <p><i>Management response</i></p> </td><td> <p><i>Action by:</i></p> <p><i>Deadline:</i></p> </td></tr> </table>			<p><i>Recommendation</i></p> <p><i>We recommend that debts are reviewed and chased regularly and that if a debt is unlikely to be received, a suitable provision is made to cover these potential bad debts.</i></p> <p><i>You might consider ceasing to provide tuition to students when their payments become overdue.</i></p>	<p><i>Management response</i></p>	<p><i>Action by:</i></p> <p><i>Deadline:</i></p>
<p><i>Recommendation</i></p> <p><i>We recommend that debts are reviewed and chased regularly and that if a debt is unlikely to be received, a suitable provision is made to cover these potential bad debts.</i></p> <p><i>You might consider ceasing to provide tuition to students when their payments become overdue.</i></p>	<p><i>Management response</i></p>	<p><i>Action by:</i></p> <p><i>Deadline:</i></p>			

2	Not all employees had signed contracts of employment.	Grade 2
<i>Issue</i> Out of a sample of 22 employees, 10 didn't have a signed contract of employment on file. 1 of these 10 didn't have a contract issued.		
<i>Recommendation</i> We recommend that signed contracts are held on file for all employees	<i>Management response</i>	<i>Action by:</i> <i>Deadline:</i>

3	Expenditure is posted on the payment date rather than the invoice date.	Grade 3
<p><i>Issue</i></p> <p>Out of a sample of 13 purchases tested, 8 had different posting dates to the invoice date. This could potentially result in trade creditors being understated as purchases are only posted when payment has been made.</p>		
<p><i>Recommendation</i></p> <p><i>We recommend that invoices are posted to Xero with the tax point date specified on the invoice. Then match bank payments to the invoices on the date the payment is received.</i></p>	<p><i>Management response</i></p>	<p><i>Action by:</i></p> <p><i>Deadline:</i></p>

4	JSEYMET funds are becoming more integrated with CMST's accounts.	Grade 1			
<p><i>Issue</i></p> <p>From reviewing investments and cash at bank, the funds of The James Sargent Early Years Music Education Trust (JSEYMET) are becoming integrated within CMST's accounts which is therefore making it harder to separate from the charity's own balances.</p> <p>Although we understand there is a process for the trustees of JSEYMET to make investment decisions, the investment accounts are under an overarching CMST relationship, and with Gareth being both a Trustee of JSEYMET and key management of CMST, this may still present a risk to the charity that it could be considered to be making investment decisions on behalf of JSEYMET.</p>					
<table> <tr> <td> <p><i>Recommendation</i></p> <p><i>We recommend a separate investment portfolio be set up in the name of JSEYMET so that the funds of CMST and JSEYMET can be separately identified and managed independently.</i></p> <p><i>We are aware that the funds held on behalf of JSEYMET have now been donated to CMST.</i></p> </td><td> <p><i>Management response</i></p> </td><td> <p><i>Action by:</i></p> <p><i>Deadline:</i></p> </td></tr> </table>			<p><i>Recommendation</i></p> <p><i>We recommend a separate investment portfolio be set up in the name of JSEYMET so that the funds of CMST and JSEYMET can be separately identified and managed independently.</i></p> <p><i>We are aware that the funds held on behalf of JSEYMET have now been donated to CMST.</i></p>	<p><i>Management response</i></p>	<p><i>Action by:</i></p> <p><i>Deadline:</i></p>
<p><i>Recommendation</i></p> <p><i>We recommend a separate investment portfolio be set up in the name of JSEYMET so that the funds of CMST and JSEYMET can be separately identified and managed independently.</i></p> <p><i>We are aware that the funds held on behalf of JSEYMET have now been donated to CMST.</i></p>	<p><i>Management response</i></p>	<p><i>Action by:</i></p> <p><i>Deadline:</i></p>			