

Charity Registration No. 1165778

Company Registration No. 09947772 (England and Wales)

## **HOUNSLOW MUSIC SERVICE**

**Annual report and financial statements**

**For the year ended 31 March 2021**

**Pages for filing with registrar**

# HOUNSLOW MUSIC SERVICE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Board Of Trustees</b>	O M Barry T J Bruce C W Hill C R C Holderness S J Shotton C P Salters Dr P K Basra T G F Sylvester	(Appointed 21 September 2020) (Appointed 10 August 2020)
<b>Charity number</b>	1165778	
<b>Company number</b>	09947772	
<b>Principal address</b>	64A Pears Road Hounslow London TW3 1SR	
<b>Registered office</b>	64A Pears Road Hounslow London TW3 1SR	
<b>Auditor</b>	WSM Advisors Limited Connect House 133-137 Alexandra Road London SW19 7JY	
<b>Bankers</b>	Barclays Bank plc	

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# HOUNSLOW MUSIC SERVICE

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 6
Statement of Trustees' responsibilities	7
Independent auditor's report	
Statement of financial activities	11
Balance sheet	12 - 13
Statement of cash flows	14
Notes to the accounts	15 - 26

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# HOUNSLOW MUSIC SERVICE

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

For the year ended 31 March 2021

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The trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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 2015).

The accounts have been prepared in accordance with the accounting policies set out in note 11 to the accounts and comply with the charitable company's memorandum and articles, 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)" (as amended for accounting periods commencing from 1 January 2016).

### Our Purpose and Activities

The company's charitable objects are set out in its Memorandum and Articles of Association. The principal objective of the company is to provide the highest quality musical opportunities for children, young people and others in and around the London Borough of Hounslow.

Our mission is to encourage participation, enjoyment and achievement by providing the highest quality learning opportunities in music and the performing arts.

### Review of the year and plans for the future

#### Arts Council England:

As lead organisation for the local Music Education Hub, Hounslow Music Service (HMS) continues to fully implement the National Plan for Music Education (NPME), undertaking all the core and extension roles as detailed in the plan. A strong and supportive relationship continues with Arts Council England (ACE) who distribute funding on behalf of the Department for Education (DfE). A significant amount of background information and statistical data is provided to ACE on a regular basis to secure the release of grant payments.

The Annual feedback letter was received from ACE in January 2021. It assessed progress during 2019/20 and proposed the level of contact during 2020/21. A number of strengths were identified:

- *Although Covid 19 has clearly had a major impact on all activity since March 2020, the introduction of a comprehensive range of high-quality online activity and a rigorous and inclusive needs led approach ensured HMS continued to deliver well against core and extension roles. Notable achievements included school engagement with core roles (84%), support through SMEP (72%) and singing strategies (71%) which are above or comparable to national averages.*
- *HMS also supported a very good range of school/borough ensembles, some of which have targeted and successfully engaged Children and Young People (CYP) from hard to reach, financially disadvantaged and ethnically diverse backgrounds.*
- *Online delivery was impressive and included 3240 sessions (supporting core roles) reaching 5204 CYP.*
- *Other positive developments included creation of a well-researched Music for Wellbeing framework (which has clearly played a key role in encouraging and sustaining school engagement since lockdown), consistent curriculum documents and progress expectations for all instruments plus delivery of diversity training and a diversity audit which indicated good representation of pupils from disadvantaged, low engaging and BAME backgrounds in borough ensembles.*

(Source: HMS Feedback letter, Arts Council England, January 2021)

ACE has assessed the level of risk attached to the allocated DfE funding as minor risk for Hounslow, requiring a minimal level of monitoring and contact during the 2020/21 academic year.

# HOUNSLOW MUSIC SERVICE

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

For the year ended 31 March 2021

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### **First Access to music:**

As a core role of the NPME, enabling access to instrumental music making for all children is a priority. While schools were closed, we recognised that not all children had their instrument at home, and that some would not be able to play an instrument if others in the family were also working from home. HMS therefore devised two programmes; the first was a series of weekly video tutorials for those who could play their instruments at home; the second were a series of projects using everyday household objects, where children could develop the same musical knowledge away from the instrument.

When schools reopened many were reluctant to allow programmes in wind and brass instruments, nor was singing encouraged in many places. In response we created a series of projects where we avoided blowing, singing and even speaking, involving buckets and spoons, body percussion, boom whackers and other resources.

Many of these projects culminated in class performances which were filmed and shared in and across schools, which was a lovely way to retain some element of performance. Pupils and teachers loved these projects. By November 2020 some schools asked us to return to playing wind instruments.

Our approach in the January 2021 lockdown was to use the general projects again as most whole class instrumental programmes had either not started with instruments, or pupils had only recently started playing instruments. Some of these projects were shared with secondary colleagues to try to support them to deliver music at key stage 3.

From September 2020 to April 2021, schools who engaged with Charanga were also provided with a weekly KS1 and KS2 curriculum music lesson.

### **Continuation beyond first access:**

Until 2020, continuation was an identified strength of HMS with numbers continuing beyond first access significantly above national averages. This dropped significantly in 2020/21 partly because of the bubble system in schools meaning children were confined to one specific area throughout the school day. The lack of in person teaching during the summer term also affected those at the end of their first year of whole class learning. Many schools were reluctant to allow external visitors inside, both primary and secondary, and music rooms were generally not in use.

In the earliest part of the pandemic, many schools were deeply suspicious of using a live video stream into a pupil's home. Several secondary schools asked for us to deliver instrumental and vocal lessons via email. Since feedback and demonstration are central to any authentic instrumental/vocal learning, this was not practical. By the Autumn however, schools were more willing to allow live video lessons, so by the January lockdown, more pupils were able to continue with their instrumental lessons. Access to online lessons varied from school to school as it was often dependent on having someone facilitate this at school level. Many parents did not want online lessons after school, meaning that there was significant disruption in instrumental learning for many young people. By September 2020, young people learning in small/large group and individual lessons returned to around 50% of pre-pandemic levels. Several schools did not want lessons in school, but supported us to set up online lessons after school and at weekends. Often the usual teacher was not available and so pupils were offered different teachers, which again had an impact on whether pupils would continue with lessons.

When schools reopened fully in April 2021, numbers of pupils engaged in large/small group and individual lessons increased to 75% of pre-pandemic numbers.

### **Music Centres, Schools and Academy:**

Saturday Music Academy moved online during summer 2020, with almost 90% of pupils continuing with lessons. In person lessons resumed in Autumn 2020 with lots of measures around distancing and no parents were allowed inside the building. By November we had to move online once more, and remained so until April 2021. Several teachers who were unable to teach from home were able to use the Music Centre to deliver online lessons.

The move to online teaching helped drive some innovations around teaching music theory. By January 2021, we were able to deliver theory completely online. It has led to the development of new resources, which will be of use beyond the pandemic.

# HOUNSLOW MUSIC SERVICE

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

For the year ended 31 March 2021

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Ensembles were provided with music and tuition and several virtual performances were mastered together and released on social media. It quickly became clear that this experience, although it resulted in a performance, could not replicate the camaraderie and social element of ensemble rehearsals. Technology does not yet support people to play together remotely because there is always a time lag, so recording individual tracks and then editing them to work together was our only option.

### **Examinations:**

Public instrumental and vocal examinations were cancelled worldwide in Spring 2020 until further notice. In Autumn 2020, several pupils entered their final year at school and were keen to complete their Grade 8 examinations on their instrument, particularly as this would count towards their UCAS points for university entry. Under the DfE guidance it was permitted to run examinations during lockdowns and so we initially planned a private exam centre in February 2021. Since the coronavirus case numbers were so high, particularly in West London, it was felt that running examinations were not in the spirit of the lockdown. Examinations were postponed until the Easter holidays, by which time it was also clear that GCSE and A level examinations would again be cancelled and grades awarded instead through teacher assessment. Since most teaching between April 2020 and March 2021 had been online, we arranged rehearsals for all pupils. This was to help pupils expand their dynamic range having played in small spaces for almost a year. Extensive measures were employed to run the exams safely, including different stewards upstairs and downstairs, a well-distanced examination room including separate stands for the examiner and candidate, and two pianos. ABRSM exams went ahead; however, Trinity College cancelled at short notice. The exams ran safely and smoothly, and 29 young people took exams.

Online exams were also possible, although ABRSM chose a different format meaning that young people had to learn an additional piece. Pupils who had missed out due to the Trinity postponement were offered the chance of doing an online exam, or waiting until our next private visit in July 2021.

### **Funding from other sources:**

London Music Fund (LMF) continued to provide funding for existing scholars, so our scholars continued to make good progress. HMS operates a shadow scholar scheme where a second scholar is supported from within Hounslow and shares a lesson with the LMF pupil, thereby doubling the impact of the LMF funding. Shadow scholars also continued with online lessons.

Once again, the Marcus Fund supported several pupils during the year.

### **Instrument Hire Scheme:**

In a normal year HMS would provide around 5,000 instruments free of charge to pupils engaged in the Whole Class Instrumental Programme or on continuation programmes at Primary Schools. During 2020/21, instead of providing tenor horns, trombones, trumpets, clarinets, ukuleles, percussion packs, violins, violas and recorders, we were providing buckets, spoons, boom whackers and djembes. Most schools wanted to start the academic year with our Music for Wellbeing programme, which had a mixture of activities including body percussion and mindfulness. Where schools allowed a transition to instrumental programmes, this started in Autumn half term 2020, only to be stopped in January 2021, and restarted in April 2021.

There is an annual programme of mouthpiece and trombone slide collection, cleaning and maintenance. This large but important job was hindered by the fact that we were not allowed into schools in Summer 2020. Instead, staff visited schools in September 2021 to collect mouthpieces for cleaning, to oil valves and replace strings. Since instruments had been idle for at least 6 months by then, they were naturally quarantined and so there was no risk of any virus being alive. Due to the subsequent lockdown in January 2021, the valve oiling had to be redone in April to ensure instruments were playable once lessons resumed on instruments.

Throughout the pandemic, we have operated an onsite and mobile instrument hire and repair service. All instruments returned to HMS were by appointment and were quarantined for 2 weeks, managed by noting the date of return on a sticker on the instrument case. This was carefully managed so no cross contamination could take place. Where pupils had outgrown an instrument, we sized them and issued new instruments, all of which had been unused for at least 2 weeks. We also provided a repair service at our office, although all blown instruments were left out of the case for 3 days before being played, and only then with a cleaned mouthpiece.

# HOUNSLOW MUSIC SERVICE

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

For the year ended 31 March 2021

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In the first lockdown, where families could not leave their home, we did roadside repairs while families watched from the windows.

### **Youth Music Bid for funding:**

In Summer 2019 Hounslow submitted a bid for funding from Youth Music to deliver an action research project in partnership with Croydon Music Service and the English Folk Dance and Song Society on music in Early Years settings. We were successful in our bid and were awarded just under £30,000. This project was originally delayed to deliver during 2020/21, but due to ongoing restrictions has been delayed again for delivery during the 2021/22 academic year.

### **Events**

#### **HMS Moment of Music:**

In the first lockdown we considered what we could do to keep people's spirits up across our Hounslow community. Inspired by opera singers on balconies in Italy, we chose to create a daily moment of music which could be shared on our social media channels as '#HMSmomentofmusic'. Each "moment" lasted around 2 – 3 minutes and featured everything from short instrumental solos from children's homes, to recordings of pieces we had performed in pre-lockdown concerts, to families making music together. These were released each weekday during summer 2020. We also ran a competition for the most popular '#HMSmomentofmusic' where people voted for their favourite and the most popular winning amazon vouchers.

In October our '#HMSmomentofmusic' was linked to Black History month and we featured famous black musicians from the last 60 years.

In November one of our pupils released a performance of the Last Post looking out over the river. It was very poignant especially since most of the Remembrance events had been cancelled due to the pandemic. In December we ran 25 days of '#ChristmasCrackers' as a musical countdown to Christmas. These were hugely popular with people, many of whom we had previously had no contact. Several contacted us to say how much they enjoyed these moments of lightness each day.

#### **Chamber Concert:**

We ran a virtual end of term chamber concert on 9th December to provide a platform for children who had not had an opportunity to perform their pieces for an audience. This was particularly useful for children who had to provide coursework for GCSEs which at this point we were expecting to go ahead as normal.

During the Spring term we ran a series of online jazz workshops and pupils recorded a performance which was released to parents and pupils.

#### **Public benefit:**

The Trustees confirm that they have paid due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charitable Company. The Charity Commission, in its "Charities and public benefit" guidance, states that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: firstly, there must be an identifiable benefit and, secondly, that the benefit must be to the public or a section of the public. The Trustees are satisfied that both these key principles are met by the operation and achievements of the Charitable Company.

# **HOUNSLOW MUSIC SERVICE**

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

**For the year ended 31 March 2021**

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### **Financial review**

Taking into account income and expenditure, the charity realised an operational surplus of £67,695 for the year. The net movement for the year was an increase of £67,695 in total charity's funds. The trustees acknowledge that the surplus in the year was higher than planned. There were very few live performances during the year and so there was no expenditure on venue, music or additional musicians. Very few new instruments were purchased. Ensembles did not run during the period and so, once again, venue and teaching costs were not applied. Once Covid restrictions eventually lessen, this funding will support a return to performances even with a reduced audience.

Total fund balances as at 31 March 2021 were £356,546, of which £161,836 related to the revaluation reserve and the general unrestricted funds stood at £194,710.

Total income for the year from grant monies and tuition fees was £1,142,251 decreasing from £1,340,756 last year. Total expenditure of £1,074,556 decreasing from £1,292,090 last year of which £12,618 (2020: £13,183) related to the governance of the charitable company.

### **Going concern assessment and Covid-19**

All activity ceased on 21st March 2020, two weeks before the end of term, and 57 staff were furloughed. This enabled the service to retain skilled staff to continue to deliver a quality service. Schools were instructed to pay contractors for activity supported by the school budget, and after a great deal of research and planning, online lessons were offered for the summer term. These hours, combined with the school funded hours, enabled us to de-furlough 19 teachers from the end of April 2020. This income was crucial to stabilize the charity and recover some of the lost income for the summer term.

Anticipating a reduction in bookings for class singing and wind activity due to fears about the virus, we developed a new Music for Wellbeing programme which could be delivered without instruments in schools. When schools were contacted to make bookings for Autumn 2020, many primary schools opted for this instead of whole class instrumental programmes. The delivery of online lessons in the summer term of 2020 helped us offer a blended or fully online service where schools did not want our teachers inside.

During 2020/21, despite additional school closures and directives to move out of school activity to an online offer, numbers using our service gradually increased and have continued to do so after the end of the reporting period. By April 2021 activity had increased to more than 85% of pre-pandemic levels. Summer 2021 has seen a significant increase in demand for our services, and hours of tuition booked for September 2021 were higher than before the pandemic.

While the COVID-19 pandemic had a negative impact on our ability to operate during lockdown, we did continue operating during all three terms and generated income by creating new products for schools and families. The Cultural Recovery Grant was created by Arts Council England to support arts organisations who were in danger of failing as a result of the pandemic; however, we did not need to apply for this as our finances remained healthy throughout and beyond the financial year.

The trustees are satisfied that we have done everything possible to protect the charity's resources and to continue to further our charitable purposes despite the constraints and uncertainties created by the Covid-19 pandemic. Having considered the financial position at the point of signing off this annual report and accounts, we consider that Hounslow Music Service remains a going concern.

### **Risk management**

The directors have prepared a Risk Register which is regularly reviewed.

The key risk that the Charitable Company has identified is the inability to secure or sustain current levels of funding. A number of lower priority risks have also been identified and procedures have been implemented which minimise these identified risks. The Board regularly discuss aspects of the operations to understand and manage the risks it faces and is in the process of refining the risk register to make it a more effective document that can inform decision-making on a regular basis.



# **HOUNSLOW MUSIC SERVICE**

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

**For the year ended 31 March 2021**

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The Trustees' report was approved by the Board Of Trustees.

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**C R C Holderness**

Trustee

Dated: .....

# **HOUNSLOW MUSIC SERVICE**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**For the year ended 31 March 2021**

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The trustees (who are also directors of Hounslow Music Service for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

# HOUNSLOW MUSIC SERVICE

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF TRUSTEES OF HOUNSLOW MUSIC SERVICE

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#### Opinion

We have audited the financial statements of Hounslow Music Service (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 March 2021 and of its incoming resources and application of resources, 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 charitable company 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 charitable company'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 Board Of 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 Board Of 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 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.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **HOUNSLOW MUSIC SERVICE**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE BOARD OF TRUSTEES OF HOUNSLOW MUSIC SERVICE**

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#### **Responsibilities of Board Of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Board Of Trustees, who are also the directors of the charitable company 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 Board Of 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 Board Of Trustees are responsible for assessing the charitable company'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 Board Of 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and posting inappropriate journal entries to manipulate the fair value of the company's assets.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation where relevant, review of Directors meeting minutes, enquiries with management as to the risks of non-compliance and any instances thereof, challenging assumptions and judgments made by management, and identifying and testing journal entries, in particular any journal entries posted with unusual account combinations. Our audit procedures also focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less like we are to become aware of it.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

# **HOUNSLOW MUSIC SERVICE**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE BOARD OF TRUSTEES OF HOUNSLOW MUSIC SERVICE**

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#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Sophie Holborn (Senior Statutory Auditor)**  
**for and on behalf of WSM Advisors Limited**

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**Chartered Accountants**  
**Statutory Auditor**

Connect House  
133-137 Alexandra Road  
Wimbledon  
London  
SW19 7JY

WSM Advisors Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# HOUNSLOW MUSIC SERVICE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	-	402,420	402,420	447,840
Charitable activities	4	524,294	-	524,294	892,916
Other income	5	215,537	-	215,537	-
<b>Total income</b>		<b>739,831</b>	<b>402,420</b>	<b>1,142,251</b>	<b>1,340,756</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	6	1,074,556	-	1,074,556	1,292,091
<b>Net (expense)/income resources before transfers</b>		<b>(334,725)</b>	<b>402,420</b>	<b>67,695</b>	<b>48,665</b>
Gross transfers between funds		402,420	(402,420)	-	-
<b>Net incoming resources</b>		<b>67,695</b>	<b>-</b>	<b>67,695</b>	<b>48,665</b>
<b><u>Other recognised gains and losses</u></b>					
Revaluation of tangible fixed assets	11	-	-	-	4,303
<b>Net movement in funds</b>		<b>67,695</b>	<b>-</b>	<b>67,695</b>	<b>52,968</b>
Fund balances at 1 April 2020		288,851	-	288,851	235,883
<b>Fund balances at 31 March 2021</b>		<b>356,546</b>	<b>-</b>	<b>356,546</b>	<b>288,851</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HOUNSLOW MUSIC SERVICE

## BALANCE SHEET

As at 31 March 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		195,960		226,589
<b>Current assets</b>					
Debtors	13	43,387		54,234	
Cash at bank and in hand		302,667		244,186	
		<u>346,054</u>		<u>298,420</u>	
<b>Creditors: amounts falling due within one year</b>	15	(105,468)		(108,457)	
Net current assets			240,586		189,963
<b>Total assets less current liabilities</b>			436,546		416,552
<b>Creditors: amounts falling due after more than one year</b>	16		(80,000)		(127,701)
<b>Net assets</b>			<u>356,546</u>		<u>288,851</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	18	161,836		195,501	
General unrestricted funds		<u>194,710</u>		<u>93,350</u>	
			356,546		288,851
<b>Total charity funds</b>			<u>356,546</u>		<u>288,851</u>

# **HOUNSLOW MUSIC SERVICE**

## **BALANCE SHEET (CONTINUED)**

**As at 31 March 2021**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees' acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Board Of Trustees on .....

.....  
C R C Holderness  
**Trustee**

**Company Registration No. 09947772**



# HOUNSLOW MUSIC SERVICE

## STATEMENT OF CASH FLOWS

For the year ended 31 March 2021

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25		118,512		94,541
<b>Investing activities</b>					
Purchase of tangible fixed assets		(10,580)		(21,219)	
		<hr/>		<hr/>	
<b>Net cash used in investing activities</b>			(10,580)		(21,219)
Repayment of borrowings		(49,451)		(40,000)	
		<hr/>		<hr/>	
<b>Net cash used in financing activities</b>			(49,451)		(40,000)
			<hr/>		<hr/>
<b>Net increase in cash and cash equivalents</b>			58,481		33,322
Cash and cash equivalents at beginning of year			244,186		210,864
			<hr/>		<hr/>
<b>Cash and cash equivalents at end of year</b>			302,667		244,186
			<hr/> <hr/>		<hr/> <hr/>

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

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### 1 Accounting policies

#### Charity information

Hounslow Music Service is a private company limited by guarantee incorporated in England and Wales. The registered office is 64A Pears Road, Hounslow, London, TW3 1SR. The company is also a registered charity with registration number 1165778.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charitable company's memorandum and articles, 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)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have undertaken an assessment of the adequacy of the resources available to the charity as well as the expected support to businesses available from the government measures in place through the period of disruption caused by coronavirus. The trustees have a reasonable expectation the charity has adequate resources to continue in operational existence for the foreseeable future accordingly 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 Board Of Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

#### 1.4 Incoming resources

Income is recognised when the charitable company 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.

Grants receivable and local authority fees are credited to the statement of financial activities in the period to which they relate. A liability for any repayment is recognised when there is uncertainty.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company 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.

Legacies are recognised on receipt or otherwise if the charitable company 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.

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

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### 1 Accounting policies

(Continued)

Incoming resources represent tuition fees and income from concerts, tours, hire of instruments, subscriptions, training and other services rendered during the year. Donations and other income are included in the year in which they are received.

#### 1.5 Resources expended

Resources expended are recognised in the year in which they are incurred. Resources expended include attributable Value Added Tax which cannot be recovered.

##### **Expenditure for charitable purposes**

Direct charitable expenditure includes all expenditure directly related to the objectives of the charitable company and comprises the costs of providing instrumental tuition, concert performances, tours, and education and community projects undertaken by the charitable company and is accounted for when payable. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

##### **Governance costs**

Governance costs represent expenditure incurred in the management of the charitable company's assets, organisational administration and compliance with constitutional and statutory requirements.

#### 1.6 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:

Musical instruments	Over 5-50 years on a straight line basis per annum
Office equipment	Over 3 years on a straight line basis per annum

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 net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible 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).

#### 1.8 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.

#### 1.9 Financial instruments

The charitable company 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 charitable company's balance sheet when the charitable company 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.

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

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### 1 Accounting policies

(Continued)

#### *Basic financial assets*

Basic financial assets, which include 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 creditors and bank loans 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.

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.

#### 1.10 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

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

The charitable company contributes to the Teachers' Pension Scheme on behalf of the teaching staff and also contributes to defined contribution pension schemes which have been arranged for members of staff, who are not eligible to join the Teachers' Pension Scheme.

Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charitable company in the year.

#### 1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Board Of 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.

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	-	-	-	4,500
Grant receivable for core activities	-	402,420	402,420	443,340
	<u>-</u>	<u>402,420</u>	<u>402,420</u>	<u>447,840</u>
<b>Donations and gifts</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,500</u>
<b>Grants receivable for core activities</b>				
Department of Education - Music Education Grant	-	394,707	394,707	435,813
Mayor's Music Fund	-	7,713	7,713	5,377
Other Grant	-	-	-	2,150
	<u>-</u>	<u>402,420</u>	<u>402,420</u>	<u>443,340</u>

### 4 Charitable activities

	School Income	Parental Income	Total 2021	Total 2020
	£	£	£	£
<b>Income from:</b>				
Music education	<u>362,801</u>	<u>161,493</u>	<u>524,294</u>	<u>892,916</u>
Analysis by fund				
Unrestricted funds	<u>362,801</u>	<u>161,493</u>	<u>524,294</u>	
<b>For the year ended 31 March 2020</b>				
Unrestricted funds	<u>633,955</u>	<u>258,961</u>		<u>892,916</u>

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

### 5 Other income

	Total	Total
	2021	2020
	£	£
Other income	7,982	-
Coronavirus Job Retention Scheme	207,555	-
	<u>215,537</u>	<u>-</u>

### 6 Charitable activities

	2021	2020
	£	£
<b>Expenditure on:</b>		
Staff costs	737,496	758,203
Depreciation and impairment	41,209	37,470
Direct costs	44,980	160,080
	<u>823,685</u>	<u>955,753</u>
Share of support costs (see note 7)	238,253	323,156
Share of governance costs (see note 7)	12,618	13,183
	<u>1,074,556</u>	<u>1,292,091</u>
<b>Analysis by fund</b>		
Unrestricted funds	1,074,556	1,292,091
	<u>1,074,556</u>	<u>1,292,091</u>

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

### 7 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Staff costs	160,435	-	160,435	248,174	100% core activities
Telephone & Internet	3,986	-	3,986	3,343	100% core activities
Bank fees	2,620	-	2,620	3,269	100% core activities
Cleaning and refuse collection	8,796	-	8,796	9,657	100% core activities
Consulting	1,946	-	1,946	750	100% core activities
Entertainment	18	-	18	394	100% core activities
General expenses	12,741	-	12,741	7,267	100% core activities
IT costs	21,284	-	21,284	13,275	100% core activities
Utilities	7,343	-	7,343	8,669	100% core activities
Printing, postage & stationery	3,290	-	3,290	4,278	100% core activities
Rent	3,000	-	3,000	3,000	100% core activities
Loan interest	1,750	-	1,750	2,250	100% core activities
Audit fees	-	12,583	12,583	12,442	100% core activities
Legal and professional	-	35	35	741	100% core activities
Insurance	2,479	-	2,479	2,379	100% core activities
Travel	2,400	-	2,400	2,445	100% core activities
Payroll admin	3,325	-	3,325	5,568	100% core activities
Rates	2,840	-	2,840	8,438	100% core activities
Trustees expenses	-	-	-	-	100% core activities
	<u>238,253</u>	<u>12,618</u>	<u>250,871</u>	<u>336,339</u>	
Analysed between					
Charitable activities	<u>238,253</u>	<u>12,618</u>	<u>250,871</u>	<u>336,339</u>	

### 8 Board Of Trustees

During the year no trustee received repayment of expenses.

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Teaching staff	55	59
Management	7	4
Administration	4	2
	<u>66</u>	<u>65</u>

#### Employment costs

	2021 £	2020 £
Wages and salaries	742,360	829,583
Social security costs	43,045	48,470
Other pension costs	112,526	128,324
	<u>897,931</u>	<u>1,006,377</u>

There were no employees whose annual remuneration was £60,000 or more.

### 10 Taxation

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

### 11 Revaluation of fixed assets

	2021 £	2020 £
Revaluation of tangible fixed assets	<u>-</u>	<u>4,303</u>

In the prior years a valuation adjustment to the value of fixed assets transferred in from Hounslow Council in 2017 was made. This was deemed necessary following a full stocktake of the musical instruments that was undertaken. During the year a valuation was undertaken by expert on the percussion and an adjustment of £nil (2020: £4,303) was included in the accounts.



# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

### 12 Tangible fixed assets

	Musical instruments £	Office equipment £	Total £
<b>Cost</b>			
At 1 April 2020	304,715	15,792	320,507
Additions	-	10,580	10,580
	<u>304,715</u>	<u>26,372</u>	<u>331,087</u>
At 31 March 2021	304,715	26,372	331,087
<b>Depreciation and impairment</b>			
At 1 April 2020	85,191	8,727	93,918
Depreciation charged in the year	33,665	7,544	41,209
	<u>118,856</u>	<u>16,271</u>	<u>135,127</u>
At 31 March 2021	118,856	16,271	135,127
<b>Carrying amount</b>			
At 31 March 2021	<u>185,859</u>	<u>10,101</u>	<u>195,960</u>
At 31 March 2020	<u>219,524</u>	<u>7,065</u>	<u>226,589</u>

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	21,191	8,097
Other debtors	10,404	28,232
Prepayments and accrued income	11,792	17,905
	<u>43,387</u>	<u>54,234</u>

### 14 Loans and overdrafts

	2021 £	2020 £
Other loans	<u>120,000</u>	<u>167,701</u>
Payable within one year	40,000	40,000
Payable after one year	<u>80,000</u>	<u>127,701</u>

The charitable company entered a loan agreement with London Borough of Hounslow on 29 April 2016. The long-term loan is non-secured.

The loan interest is at the rate of 1% above the base lending rate from Bank of England. During the 2017/2018 year, repayment terms were revised; stating repayment of five tranches of £40,000 over a 5 year period with the first repayment due in July 2019.

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

### 15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Borrowings		40,000	40,000
Deferred income	17	27,655	26,910
Trade creditors		2,001	4,883
Other creditors		11,844	10,894
Accruals and deferred income		23,968	25,770
		<u>105,468</u>	<u>108,457</u>

### 16 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	<u>80,000</u>	<u>127,701</u>

### 17 Deferred income

	2021 £	2020 £
Arising from tour income in advance	<u>27,655</u>	<u>26,910</u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Current liabilities	<u>27,655</u>	<u>26,910</u>

### 18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Movement in funds		Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	
Revaluation of Musical Instruments	195,501	-	(33,665)	161,836
	<u>195,501</u>	<u>-</u>	<u>(33,665)</u>	<u>161,836</u>

The resources expended represent the depreciation cost for the musical instruments.

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

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### 19 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2021 are represented by:			
Tangible assets	195,960	-	195,960
Current assets/(liabilities)	240,586	-	240,586
Long term liabilities	(80,000)	-	(80,000)
	<hr/>	<hr/>	<hr/>
	356,546	-	356,546
	<hr/>	<hr/>	<hr/>

### 20 Audit report information

The auditor's report was unqualified.

**Sophie Holborn (Senior Statutory Auditor)**  
**WSM Advisors Limited**

**Chartered Accountants**  
**Statutory Auditor**

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

### 21 Operating lease commitments

#### Lessee

The operating lease represents the lease of part of the ground floor and all of the first floor of 64 Pears Road. The inception of the lease was on 4th January 2017. The lease is negotiated at a rent of £3,000 per annum over 20 years and rentals are fixed for 5 years. The rent will be reviewed upwards every 5 years by between 2 and 4%, whichever is closer to the level of inflation, for the entire 20 year lease. There is no stated commitment period in the lease contract.

### 22 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	59,576	59,151

### 23 Pension schemes

#### Teachers Pension Scheme

The charity participates in the Teachers' Pension Scheme (the "TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £96,601.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2016, and the valuation report, which was published in 1 September 2019. The employers contribution rate increased to 23.68%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.76%. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

#### Local Government Pension Scheme

The LGPS is a funded defined benefit scheme and took on by the charitable company as part of the transfer. The LGPS is closed to the charitable company so no new members can be admitted from the point of externalisation. By March 2018 just two members of staff remain, approximately 1.3FTE. The scheme would continue until the last member leaves the charitable company. The total contribution made in the year was £15,925.

### 24 Company limited by guarantee

The liability of the members is limited. Every member undertakes to contribute an amount not exceeding £1 to the assets of the company, in the event of the company being wound up whilst they are a member, or within one year after ceasing to be a member, for the payment of the debts and liabilities of the company contracted before ceasing to be a member.

# HOUNSLOW MUSIC SERVICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 March 2021

<b>25</b>	<b>Cash generated from operations</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Surplus for the year	67,695	48,665
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	41,209	37,470
	Loan interest provision	1,750	2,250
	Movements in working capital:		
	Decrease in debtors	10,847	14,781
	(Decrease) in creditors	(3,734)	(7,035)
	Increase/(decrease) in deferred income	745	(1,590)
	<b>Cash generated from operations</b>	<b>118,512</b>	<b>94,541</b>
<b>26</b>	<b>Analysis of cash and cash equivalents</b>		
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Cash in hand	302,667	244,186
<b>27</b>	<b>Analysis of changes in net funds</b>		
		<b>At 1 April 2020</b>	<b>Cash flowsAt 31 March 2021</b>
		<b>£</b>	<b>£</b>
	Cash at bank and in hand	244,186	58,481
	Loans falling due within one year	(40,000)	-
	Loans falling due after more than one year	(127,701)	47,701
		<b>76,485</b>	<b>106,182</b>
		<b>182,667</b>	<b>182,667</b>