

**MAINLY MUSIC UK**

(Registered charity numbers 1167021 & SC048913)

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2021**

**HPH  
Chartered Accountants  
54 Bootham  
York  
YO30 7XZ**

## **MAINLY MUSIC UK**

### **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021**

The Trustees have pleasure in presenting their Annual Report and the Financial Statements for the year ended 30 June 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's constitution, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the relevant version of the 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).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### ***Objectives and activities***

##### **Objectives**

The objects of Mainly Music UK (mainly music UK) are: -

To advance the Christian religion, for the public benefit, in the UK, by supporting churches in the UK to provide education-based outreach ministry models, including educational and play support groups for children and young families, in particular but not exclusively by:

1. establishing attractive and relevant activities, based around music and play, for use by Christian churches and of interest to families with young children;
2. providing instruction and ongoing resource for churches to establish these activities for families;
3. ensuring the activities have educational outcomes for children and for the parent or care giver, encourage and enable them in their role;
4. in all these activities, provide resources and training to help families from the community explore the Christian faith at their pace.

##### **Activities**

The 2020/21 was a year like no other in the history of mainly music, since it began in Auckland, New Zealand in 1990. With the restrictions put in place due to the COVID-19 virus, the entrepreneurial heritage of mainly music became a huge positive. New initiatives and nimble systems provided quick and sustainable options for continued connection with families.

We remain very grateful for the generosity of our church partners who prioritised the membership, despite being unable to hold in-person sessions and who were unwilling to charge for the on-line sessions provided. We had decided not to put staff on active furlough and ensure they were available to resource and support church teams throughout the pandemic. This created continued and on-going interaction. Our two Coaches held on-line training and resource sessions to keep the volunteer Team Leaders connected and energised. We were exceptionally grateful to receive £5,000 from a Persimmon Homes competition. This provided the much-needed cash flow for staff employment.

# MAINLY MUSIC UK

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

### CONTINUED

On-line session material outlines were made available to the volunteer teams. This reduced the need for volunteers to start from a blank page, enabling them to be creative but not expecting them to put together the full session. Free pre-recorded on-line sessions were continued through to the end of 2020. This enabled volunteer teams who had run out of energy to create their own to make these available to families. Often these volunteer teams arranged craft and learning items that matched the content and learning of the sessions. Families were exceptionally grateful for these activities.

The staff became aware of reducing NHS services for mothers who had given birth. Along with international staff, we came together to create and trial *mainly babies* – an eight-week series of mainly music sessions, specifically designed for not-yet-crawling babies. The content focused on attachment and included parenting instruction material to assist the first-time mothers. It was important to ensure the sessions could be achieved on-line as well as face-to-face to contribute to the sustainability of the interaction, no matter the restrictions. We were grateful to all three UK-based staff members, Sian, Barbara, and Lizzie who put their time and energy into planning and trialling this initiative. Following the four-trial series in the UK, *mainly babies* is launching worldwide with mainly music in the UK, New Zealand, and Australia.

One key feature of 2020/21 was the passion of teams who, as restrictions changed, went to great lengths to offer sessions both indoors and outdoors. We take this moment to thank those teams who created smaller sessions, back-to-back, to ensure families could reconnect, albeit in a socially distanced fashion. And those who were creative in finding ways to hold sessions outdoors.

Here are stories that illustrate the gratefulness of the families:

*The team have enjoyed running sessions outside where many members of the local community have stopped to watch on as families enjoy their outdoor music session. Such a great way of being community in the community.*

*mainly music is going well. We've had several new faces this term which has been amazing! Obviously planning/ organising with restrictions has made things more complex but for the most part that's goes on in the background so the sessions themselves can feel as normal as possible. The families just seem so thankful to be able to be together in person because there are still a lot of other things not running again yet.*

*Due to the high demand for places in our sessions, we are going to start running a fourth session on a Thursday morning! It will be full of lockdown mums, so that will make two full groups of these desperate mummies. It's our focus to provide a tangible form of the African proverb: 'it takes a village to raise a child'.*

Another initiative that trialled in the UK was the reinvigoration of mainly mums. As time went on, families found on-line sessions tiring along with all the other activities that they needed to undertake at home, like work and school. When the staff reported this, we reviewed the concept of mainly mums and created an on-line training event to give confidence to the teams. The mainly mums' sessions were specifically focused on connecting with the mothers in the evening for 30 minutes. Asking them to come with a hot drink the mums entered a 30-minute on-line discussion. Placing them in breakout rooms ensured mothers got to spend time really getting to know others.

Overall, we are confident that 2021/22 will be a year of growth. We are already aware of the increase of enquiries from churches interested in the options provided by the organisation.

# MAINLY MUSIC UK

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

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#### ***Structure, governance and management***

##### **Governing document**

mainly music UK is a Charitable Incorporated Organisation (Association model) whose only voting members are its charity Trustees. The Charity is governed by its constitution, which was adopted on 27 April 2016, and was formerly registered with the Charity Commission for England and Wales on 10 May 2016, and with the Office of the Scottish Charity Regulator (OSCR) on 17 December 2018.

##### **The Board of trustees**

The governance board consists of the trustees listed in the Administrative details section of this report.

##### **Recruitment, appointment and training of new trustees**

Apart from the first charity trustees, every trustee must be appointed for a term of three (3) years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

The charity trustees will make available to each new charity trustee, on or before his or her first appointment:

- (a) a copy of the current version of the constitution; and
- (b) a copy of the CIO's latest Trustees' Annual Report and Financial Statements;
- (c) a copy of the Board Manual referred to in clause 25 of the constitution which the new trustee shall sign indicating his/her agreement to be bound by its terms.

##### **Related parties**

mainly music UK works closely with mainly music International Trust, which provides resources and materials and mainly music (Australia) Limited, which provides administration and accounting services.

##### ***Financial review***

Total income for the operational year ended 30 June 2021 amounted to £98,706 (2020: £56,659), with total expenditure amounting to £37,267 (2020: £49,519) giving rise to a surplus of £61,439 (2020: £7,140). The principal source of income derives from membership which decreased in the year to £17,941 (2020: £25,270). Sales of merchandise fell to £2,844 (2020: £7,801). Included in other income this year is £63,972 (2020: £16,498) representing the cancellation ("forgiveness") of debt owed to mainly music International Trust and mainly music Australia. Cost of sales reduced to £2,112 (2020: £5,391) as did membership support costs £11,323 (2019: £20,353); salary and staff costs remained consistent at £13,513 (2020: £13,942) and administration costs stayed consistent at £8,699 (2020: £8,333).

##### ***Going Concern***

The Charity depends on mainly music International Trust and mainly music (Australia) Limited to meet its day to day working capital requirements. Current forecasts indicate that the Charity expects to be able to generate positive cash flows within its own account in the future. The mainly music International Trust Board and mainly music (Australia) Limited Board are also both well aware of this situation and acknowledge that their support, both financially and strategically is of vital importance for mainly music UK to operate positively. mainly music International has instituted quarterly reporting to maintain an awareness of debt and to support the organisation as much as possible. The Trustees are not aware, however, of any circumstances that may adversely affect the renewal of these facilities. Accordingly, the Trustees believe it is appropriate to prepare the financial statements on the going concern basis.

# MAINLY MUSIC UK

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

### CONTINUED

#### *Reserves*

At 30 June 2021 the Charity had total funds of £8,154, of which £5,964 are unrestricted and £2,190 restricted. The Charity plans to increase its reserves now that the high debt has been forgiven. The Trustees have reviewed the reserves policy in year, examining the reliability of future income streams, the commitment to future expenditure and risks faced by the Charity and have determined that they need funds that equate to 3 months running costs to provide the ability to:

- ensure that the Charity does not become insolvent;
- meet unforeseen expenditure and provide flexibility in meeting growing demands;
- cover short term timing differences between income receipts and outgoing payments;
- give the Charity time to consider other options to raise money or to cover operational costs and commitments should the decision be taken to wind the Charity down.

Reserves are maintained through the generation of surpluses from delivery of activities, fundraising appeals and events, and shall be defined as unrestricted current assets less liabilities. The current unrestricted undesignated reserves figure on 30 June 2021 amounted to £5,964, approximately 2 months core expenditure.

This is an improvement on the prior year and the Charity has a stated aim to increase its level of free reserves over the next 2 to 5 years.

#### ***Plans for future periods***

With the forgiveness of debt provided by mainly music International and mainly music Australia, there is a new level of optimism for the staff team and board who are no longer shackled with increasing debt. This forgiveness reflects the confidence the organisation has in the establishing of the organisation in the UK and the stability that was seen over the period of the restrictions, particularly in relation to the generosity of churches prioritising the membership contribution payments.

There has been increasing interest by churches who are keen to create ways for families to find friendship and reduce the isolation they have experienced during the restriction period. With families having had babies over this time who have been unable to provide social interaction for their children, there is a need to establish places for the community to gather. The local church has a key role to play in this return to the new normal.

The focus will be on growth throughout the UK and the stability of finances as the organisation heads into the 2021/22 financial year. With the suite of platforms (mainly music, mainly play, and mainly babies) available, there is increased interest in the support offered to churches as they establish sustainable connection points in the community.

#### ***Public benefit disclosures***

The trustees believe they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission in respect of public benefit.

**MAINLY MUSIC UK**  
**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021**  
**CONTINUED**

***Administrative details***

Registered name of the charity:	Mainly Music UK
Working name:	mainly music UK
Registered Charity Numbers:	1167021 / SC048913
Principal Office Address:	Astwood Law 39, Prospect Hill Redditch Worcestershire B97 4BS
Operations Address:	24 Manor Lane PO Box 7246 Stourbridge West Midlands DY8 9GE
Scottish Office Address:	101 Rose Street South Lane Edinburgh EH2 3JG
Website:	<a href="http://mainlymusic.org.uk">mainlymusic.org.uk</a>
Email:	<a href="mailto:uksupportcentre@mainlymusic.org">uksupportcentre@mainlymusic.org</a>
Telephone:	0800 112 0382
Trustees:	Mrs Victoria Duce Mrs Josephine Mary Hood Ms Pamela Maclure (Appointed 26 April 2021) Mr David MacLennan Mr John Martin – Chair (from 1 July 2020) Mr David Morris (Appointed 8 December 2020) Mrs Kate Robbins
Bankers:	Lloyds Bank plc 2 Pavement York YO1 9UP
Independent Examiner:	Sarah Wearing, FCA, DChA HPH, Chartered Accountants 54 Bootham York YO30 7XZ

# MAINLY MUSIC UK

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

### CONTINUED

#### ***Trustees' responsibilities in relation to the financial statements***

The purpose of this statement is to distinguish the charity trustees' responsibilities for the financial statements from those of the independent examiner as stated in his report.

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales and Scotland requires the charity 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 income and expenditure of the charity for that period. In preparing the 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provision of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### ***Declaration***

Approved by the trustees on 11 October 2021 and signed on their behalf by:

.....  
John Martin - Trustee

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MAINLY MUSIC UK

I report to the charity trustees on my examination of the financial statements of Mainly Music UK ("the Charity") for the year ended 30 June 2021.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to charity's trustees those matters that I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity, the Charity's Members as a body and the Charity's Trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

## **Responsibilities and basis of report**

As the trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the '2005 Act'), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 ('the 2011 Act'). You are satisfied that your charity is not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the Charity's financial statements as carried out under section 44 (1) (c) of the 2005 Act and section 145 of the 2011 Act. In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

## **Independent examiner's statement**

Since the Charity has prepared its financial statements on an accruals basis and is also registered in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity as required by section 44 (1) (a) of the 2005 Act and Regulation 4 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Sarah Wearing, FCA, DChA  
Institute of Chartered Accountants in England and Wales  
11 October 2021

HPH, Chartered Accountants  
54, Bootham, York, YO30 7XZ

**MAINLY MUSIC UK**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30 JUNE 2021**

		<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total 2021</i>	<i>Total 2020</i>
	<i>Notes</i>	£	£	£	£
<b>Income and endowments from:</b>					
<b>Donations</b>	2	5,346	-	5,346	5,855
<b>Income from charitable activities</b>	3	87,366	3,150	90,516	43,003
<b>Income from trading activities</b>	4	2,844	-	2,844	7,801
<b>Total income</b>		<u>95,556</u>	<u>3,150</u>	<u>98,706</u>	<u>56,659</u>
<b>Expenditure on:</b>					
<b>Trading activities</b>	6	1,152	960	2,112	5,391
<b>Charitable activities</b>	6	35,155	-	35,155	44,128
<b>Total expenditure</b>		<u>36,307</u>	<u>960</u>	<u>37,267</u>	<u>49,519</u>
<b>Net income for the year and net movement in funds</b>	5	59,249	2,190	61,439	7,140
<b>Reconciliation of funds:</b>					
Total funds brought forward at 1 July		<u>(53,285)</u>	<u>-</u>	<u>(53,285)</u>	<u>(60,425)</u>
<b>Total funds carried forward at 30 June</b>		<u>£ 5,964</u>	<u>£ 2,190</u>	<u>£ 8,154</u>	<u>£ ( 53,285)</u>

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

*The notes on pages 10 to 18 form part of these financial statements.*

**MAINLY MUSIC UK**  
**BALANCE SHEET AT 30 JUNE 2021**  
*(Registered charity numbers 1167021 & SC048913)*

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<b>Fixed assets</b>					
Tangible fixed assets	8	-	-	-	320
<b>Current assets:</b>					
Stock		8,503	-	8,503	9,786
Debtors	9	505	-	505	1,063
Cash at bank and in hand		1,721	2,190	3,911	3,025
<b>Total current assets</b>		10,729	2,190	12,919	13,874
<b>Liabilities:</b>					
<b>Creditors: amounts falling due within one year</b>	10	4,765	-	4,765	67,479
<b>Net current assets / (liabilities)</b>		5,964	2,190	8,154	(53,605)
<b>Total assets less current liabilities</b>		5,964	2,190	8,154	(53,285)
<b>Total net assets / (liabilities)</b>		£ 5,964	£ 2,190	£ 8,154	£ (53,285)
<b>The funds of the charity:</b>					
Unrestricted funds	11	5,964	-	5,964	(53,285)
Restricted funds		-	2,190	2,190	-
<b>Total charity funds</b>		£ 5,964	£ 2,190	£ 8,154	£ (53,285)

*The notes on pages 10 to 18 form part of these financial statements.*

*Approved by the Trustees on 11 October 2021 and signed on their behalf by:*

*John Martin*  
 .....

John Martin - Trustee

# MAINLY MUSIC UK

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2021

#### 1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

##### a) Basis of Preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to the financial statements. The financial statements have been prepared in accordance with the relevant version of the 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) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Mainly Music UK meets the definition of a public benefit entity under FRS 102.

The charity depends on financial and strategic support from mainly music International Trust and mainly music (Australia) Limited to meet its operational working capital requirements. Current forecasts indicate that the charity expects to be able to operate within these arrangements and facilities for the foreseeable future. These arrangements and facilities are renewed annually and are not guaranteed for the period covered by the going concern review. The charity has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. As noted in the Trustees' Annual Report, the full impact of the coronavirus pandemic is yet to be determined. The Trustees feel, however, that there is adequate support to continue operational existence in the event of a reduction in income. They continue to believe the going concern basis of accounting is appropriate in preparing the financial statements.

Mainly Music UK is registered in England as a Charitable Incorporated Organisation under the Charities Act 2011. The UK registered address is 39, Prospect Hill, Redditch, Worcestershire B97 4BS.

# MAINLY MUSIC UK

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

### FOR THE YEAR ENDED 30 JUNE 2021

#### 1. ACCOUNTING POLICIES (continued)

##### b) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Grant income from government and public bodies, whether 'capital' grants or 'revenue' grants, and matched funding, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income arising from other activities such as training and conferences is recognised in the period which the event took place.

##### c) Fund Accounting

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds are funds which are subject to specific trusts, either declared by the donor when making the donation or grant conditions, or accepted by the donor in responding to a specific appeal.

##### d) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on charitable activities relates to activities undertaken to further the purposes of the charity and includes their associated support costs.

Support costs include central functions and governance costs, and have been allocated to activities on a basis consistent with the use of those resources, e.g. allocation of staff costs by time spent and other costs by their usage.

Governance costs include those incurred in the governance of the charity and its assets and primarily associated with constitutional and statutory requirement.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### e) Tangible fixed assets and depreciation

Tangible fixed assets are included in the financial statements at their historical cost (in the case of donated assets, at their fair value at the date of acquisition).

Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment	over 3 or 4 years, reducing
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##### f) Stock

Stock of materials and resources are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**MAINLY MUSIC UK**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**1. ACCOUNTING POLICIES (continued)**

**g) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**h) Cash at bank and in hand**

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

**i) Creditors and provisions**

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

**j) Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

# MAINLY MUSIC UK

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

### FOR THE YEAR ENDED 30 JUNE 2021

#### 2. GRANTS AND DONATIONS

	<i>Unrestricted Funds</i>	
	<i>Total</i>	<i>Total</i>
	<i>2021</i>	<i>2020</i>
	£	£
Donations	5,346	5,855
	<u>£ 5,346</u>	<u>£ 5,855</u>

The Charity also benefits from the involvement and enthusiastic support of its many volunteers. In accordance with Charities SORP, the economic contribution of general volunteers is not recognised in the accounts.

#### 3. INCOME FROM CHARITABLE ACTIVITIES

	<i>Unrestricted Funds</i>	
	<i>Total</i>	<i>Total</i>
	<i>2021</i>	<i>2020</i>
	£	£
Membership	17,941	25,180
Other income	72,575	17,823
	<u>£ 90,516</u>	<u>£ 43,003</u>

#### 4. INCOME FROM TRADING ACTIVITIES

	<i>Unrestricted Funds</i>	
	<i>Total</i>	<i>Total</i>
	<i>2021</i>	<i>2020</i>
	£	£
Sales of merchandise	<u>£ 2,844</u>	<u>£ 7,801</u>

#### 5. NET EXPENDITURE FOR THE YEAR

Net expenditure for the year is stated after charging:	<i>2021</i>	<i>2020</i>
	£	£
Depreciation	23	130
Independent examiner's fee	750	660
Accountants' remuneration - statutory accounts production	<u>870</u>	<u>840</u>

# MAINLY MUSIC UK

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

### FOR THE YEAR ENDED 30 JUNE 2021

#### 6. TOTAL EXPENDITURE

	<i>Trading cost of sales £</i>	<i>Staff costs £</i>	<i>Support costs £</i>	<i>Total 2021 £</i>	<i>Total 2020 £</i>
Cost of goods sold and direct expenses	2,112	-	-	2,112	5,391
Charitable expenditure	-	13,513	20,022	33,535	42,628
Governance costs	-	-	1,620	1,620	1,500
<b>Total expenditure</b>	<b>£ 2,112</b>	<b>£ 13,513</b>	<b>£ 21,642</b>	<b>£ 37,267</b>	<b>£ 49,519</b>

£960 of Costs of goods sold and direct expenses was restricted (2020 - £nil).

	<i>Unrestricted Funds</i>	
	<i>Total 2021 £</i>	<i>Total 2020 £</i>
Analysis of support costs		
Membership costs and service charges	11,323	20,353
Office and administration costs	8,699	8,333
Governance costs	1,620	1,500
	<b>£ 21,642</b>	<b>£ 30,186</b>

#### 7. EMPLOYEE COSTS AND TRUSTEES' REMUNERATION

	<i>Total 2021 £</i>	<i>Total 2020 £</i>
Wages and salaries	13,511	13,842
	<b>£ 13,511</b>	<b>£ 13,842</b>
	<i>2021</i>	<i>2020</i>

The average monthly number of employees for the year was as follows:

Administration	3	3
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During the year no employees were paid emoluments amounting to £60,000 or more.

None of the trustees have been paid any remuneration in connection with their services as a trustee.

No trustees (2020 - none) were reimbursed expenses (2020 - £Nil) during the year, relating to expenditure incurred on behalf of the charity.

The key management personnel of the charity comprise solely the Trustees who received no remuneration during the year. The total employee benefits of the key management personnel was £Nil (2020 - £Nil).

**MAINLY MUSIC UK**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**8. TANGIBLE FIXED ASSETS**

	<i>Computer Equipment</i> £	<i>Total 2021</i> £
Cost		
At 1 July 2020	1,137	1,137
Disposals in the year	(1,137)	(1,137)
At 30 June 2021	-	-
Depreciation		
At 1 July 2020	817	817
Charge for the year	23	23
Eliminated on disposal	(840)	(840)
At 30 June 2021	-	-
Net Book Value		
At 30 June 2021	£ -	£ -
At 30 June 2020	£ 320	£ 320
All fixed assets relate to unrestricted funds		

**9. DEBTORS**

	<i>Unrestricted Funds</i> <i>Total</i> <i>2021</i> £	<i>Total</i> <i>2020</i> £
Trade debtors	185	838
Other debtors	40	-
Prepayments	280	225
	£ 505	£ 1,063

# MAINLY MUSIC UK

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

### FOR THE YEAR ENDED 30 JUNE 2021

#### 10. CREDITORS: amounts falling due within one year

	<i>Unrestricted Funds</i>	
	<i>Total</i>	<i>Total</i>
	<i>2021</i>	<i>2020</i>
	£	£
Trade creditors	3,029	62,068
Accruals and deferred income	1,736	5,411
	<u>£ 4,765</u>	<u>£ 67,479</u>
<b>Deferred income</b>		
Balance brought forward	3,150	-
Amount released in the year	(3,150)	-
Amount deferred in the year	105	3,150
	<u>£ 105</u>	<u>£ 3,150</u>

At the balance sheet date the Charity was holding funds received in advance of providing services, which will be fully released in the following financial year.

#### 11. FUNDS

<b><i>Current year</i></b>	Balance at 1 July	Income	Expenditure	Transfers	Balance at 30 June
Unrestricted funds	(53,285)	95,556	(36,307)	-	5,964
Restricted funds	-	3,150	(960)	-	2,190
	<u>£ (53,285)</u>	<u>£ 98,706</u>	<u>£ (37,267)</u>	<u>£ -</u>	<u>£ 8,154</u>
<b><i>Comparative year</i></b>	Balance at 1 July	Income	Expenditure	Transfers	Balance at 30 June
Unrestricted funds	(60,425)	56,659	(49,519)	-	(53,285)
Restricted funds	-	-	-	-	-
	<u>£ (60,425)</u>	<u>£ 56,659</u>	<u>£ (49,519)</u>	<u>£ -</u>	<u>£ (53,285)</u>

The restricted fund is monies received from the All Churches Trust to fund setup costs for new groups.

# MAINLY MUSIC UK

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

### FOR THE YEAR ENDED 30 JUNE 2021

#### 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

<i>Current year</i>	<i>Fixed assets</i>	<i>Current assets</i>	<i>Current liabilities</i>	<i>Total 2021</i>
			£	£
Unrestricted funds	-	10,729	(4,765)	5,964
Restricted funds	-	2,190	-	2,190
	-	£12,919	£ ( 4,765)	£8,154
<hr/>				
<i>Comparative year</i>	<i>Fixed assets</i>	<i>Current assets</i>	<i>Current liabilities</i>	<i>Total 2020</i>
			£	£
Unrestricted funds	320	13,874	(67,479)	(53,285)
	£320	£13,874	£ ( 67,479)	(£53,285)

#### 13. RELATED PARTIES

##### *mainly music (Australia) Limited*

Income amounting to £147 (2020 - £5) was received in the year in respect of sales of materials and resources to mainly music (Australia) Limited. Expenditure amounting to £5,248 (2020 - £9,999) was incurred during the year in respect of materials, resources and service charges from mainly music (Australia) Limited. In addition, during the year mainly music (Australia) Limited cancelled prior years outstanding debts due from the charity amounting to £48,279. At 30 June 2021 £nil (2020 - £nil) was owed by mainly music (Australia) Limited, and £3,029 (2020 - £48,247) was owed to mainly music (Australia) Limited. Jo Hood (Trustee) is a trustee of mainly music (Australia) Limited.

##### *mainly music International Trust*

Income amounting to £272 (2020 - £46) was received in the year in respect of sales of materials and resources to mainly music International Trust. Expenditure amounting to £6,768 (2020 - £6,075) was incurred during the period in respect of materials and resources from mainly music International Trust. In addition, mainly music International Trust cancelled all outstanding debts due from the charity in respect of the 2021 financial year amounting to £15,693. At 30 June 2021 £Nil (2020 - £Nil) was owed by mainly music International Trust, and £nil (2020 - £10,292) was owed to mainly music International Trust. Jo Hood (Trustee) is a trustee of mainly music International Trust.

##### *mainly music New Zealand Trust*

There was no financial activity with mainly music New Zealand Trust during the year (2020 - £Nil). Jo Hood (Trustee) is a trustee of mainly music New Zealand Trust.

There were no other related party transactions.

**MAINLY MUSIC UK**  
**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	<i>Unrestricted Funds</i>	
	<i>Total</i>	<i>Total</i>
	<i>Year ended</i>	<i>Year ended</i>
	<i>30 June 2020</i>	<i>30 June 2019</i>
	£	£
<b>Income and endowments from:</b>		
<b>Donations</b>	5,855	2,438
<b>Income from charitable activities</b>	43,003	26,577
<b>Income from trading activities</b>	7,801	11,319
<b>Total income</b>	<u>56,659</u>	<u>40,334</u>
<b>Expenditure on:</b>		
<b>Trading activities</b>	5,391	9,800
<b>Charitable activities</b>	44,128	45,416
<b>Total expenditure</b>	<u>49,519</u>	<u>55,216</u>
<b>Net expenditure for the year and net movement in funds</b>	7,140	(14,882)
<b>Reconciliation of funds:</b>		
<b>Total funds brought forward at 1 July</b>	(60,425)	(45,543)
<b>Total funds carried forward at 30 June</b>	<u>£ ( 53,285)</u>	<u>£ ( 60,425)</u>