

Charity registration number 1177780

Company registration number 11198293 (England and Wales)

**BUCKINGHAMSHIRE MUSIC TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 29 JULY 2023**

# BUCKINGHAMSHIRE MUSIC TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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|-------------------------|---|
| Trustees                | D C Mansfield<br>P Downton<br>S J Imbriano  |
| Charity number          | 1177780   |
| Company number          | 11198293  |
| Registered office       | Aylesbury Music Centre<br>Walton Road<br>Aylesbury<br>Buckinghamshire<br>HP21 7ST |
| Independent accountants | Amersham Accountancy<br>3A Station Road<br>Amersham<br>HP7 3BQ                    |

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# BUCKINGHAMSHIRE MUSIC TRUST

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# BUCKINGHAMSHIRE MUSIC TRUST

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE PERIOD ENDED 29 JULY 2023

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The Trustees present their annual report and financial statements for the Period ended 29 July 2023.

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

#### Objectives and activities

Buckinghamshire Music Trust ('BMT') is a Music Service that inspires exciting, meaningful and engaging musical experiences for every child in the county. In the year 22/23, BMT continued to pursue its stated mission:

- Experiences and opportunities that include all abilities, talents, genres and forms of music, supporting all the outstanding work that happens now and that we will build in the future.
- Experiences and opportunities that take place in all types of school (both in the curriculum and beyond), in music centres, in community settings and in commercial settings.
- Promoting opportunities for all students to access meaningful and high quality vocal and instrumental experiences including opportunities to progress to the highest levels of excellence.
- Promoting and supporting the importance of music in all children's lives as something valuable, rewarding and fun.
- Providing a wide range of performance opportunities to both celebrate the achievements of young musicians and empower them to be confident and skilled individuals who can express their creativity and work together for success.
- Leading a radical development of music in schools and other educational settings, working in partnership with other organisations, including the Local Authority, to realise an outstanding education for all students in the county.
- Facilitating the Bucks Music Education Hub as an open, creative and positive network of partners who share a common vision and drive with imagination and high expectations

#### BMT is the lead organisation for the Buckinghamshire Music Education Hub;

- Building networks, partnerships and relationships with and between music organisations and individuals of all types.
- Working actively to overcome barriers that prevent musical opportunity, providing solutions to any form of exclusion whether through special needs, disability, ability to pay, gender, geographical location, cultural background or lack of support.
- Providing support, training and networking for all music practitioners engaged in activity with young people in Buckinghamshire and beyond.
- Promoting innovation and creativity in music and across arts, culture and heritage.
- An advocate for the importance of music for all young people.

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

# BUCKINGHAMSHIRE MUSIC TRUST

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 29 JULY 2023

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### Significant Partnership/Hub Activities

- Bucks Schools
  - o Delivery of GCSE and A-level support in schools where recruiting music teachers is proving a challenge and increase in demand for support from secondary schools who have not previously engaged with BMT.
  - o Primary Music Conference on June 28th at the Waterside Theatre second space. Well attended with excellent feedback on all sessions
- Florence Nightingale Hospice Charity
  - o New partnership now in place following success of previous events
  - o Two weeks per year – one in HW at Swan and one in Aylesbury at Waterside
  - o Both will recruit two child casts (100 each) and do a matinee and evening show, increasing potential fundraising revenue
  - o BMT County level musicians given opportunity to play in pit band and gain invaluable experience
- YCBucksCEP – the Cultural Education Partnership
  - o BMT continuing to lead on young creative consultation programme
  - o Steering group progressing with establishment of CIO entity
  - o Fundraising in progress with some good successes
  - o Network strengthening overall arts landscape
- CPD delivery
  - o Deputy Director delivering whole day primary music training for MK & N Bucks trainees and sessions for Astra Teaching Schools Hub
  - o Director delivering mentoring and support packages for trainees in 3 secondary schools in partnership with Astra and University of Herts
- NMO / Instrumental
  - o Relaunch of combined programme of school concerts and follow-up instrumental visits leading to uptake to lessons in previously unengaged schools
  - o School visits and streamed 'Meet The Orchestra' during summer term

All these successes are within a continued period of recovery where financial constraints were still evident from managing the company through the pandemic and whilst service levels have returned to levels equivalent to before that, the overall financial recovery has still been in progress. The recovery plans outlined in the previous report have all been effectively implemented and are beginning to make a difference. However, the additional accounting impact of the change of funding cycle by Arts Council England, the resulting, necessary change of invoicing cycle by BMT to manage cashflow effectively and the longer term impact of repayment schemes and how they fall within the accounting year lead to the position of these accounts showing a deficit of £526k.

BMT continues to manage its trading and income and expenditure effectively across the year, we are still within the period of recouping liabilities, and this is well-managed whilst preventing the accrual of significant reserve. All our liabilities have been consolidated into two-year repayment programmes that have been achieved during 22/23 and will continue to work through during 23/24. The PAYE liability will be repaid by October 2024, LGPS by July 2025 and TPS by September 2026. All these repayment plans are fully approved and in train. The projected deficit in the accounts to date therefore show these liabilities reducing and are funded in year by the following measures put in place during 23/24 and are proving effective.

- Some significant payments in this accounting year are not repeated in following years, such as the additional post-pandemic touring costs of £38k.
- Steady Increase in prices slightly above the rate of inflation that were not able to be implemented previously are now in place on an annual basis.
- Continued increased demand for IV lessons and school orders increasing margin on income.
- Increased number of BMT member schools.
- Increase in Music Centre memberships without increased staff costs.
- Increased demand from schools for consultancy and training.
- Increase in sponsorship and donations already secured.
- The external funding of one senior post seconded to Cultural Education Partnership.

# BUCKINGHAMSHIRE MUSIC TRUST

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

### FOR THE PERIOD ENDED 29 JULY 2023

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- These elements represent an additional level of income compared to 22/23 with no additional costs in the region of £260k.
- The new Music Hub structure and successful bid by BMT to be the Hub Lead for a wider area will bring an additional revenue of approximately £45k in the year 24/25 and beyond.
- A Senior Leadership re-structure has been implemented to reduce the costs by a further £38k per annum.
- A full review of pensions and the increased employer contributions to examine other possible options is in train to remove the ongoing high level of liability of the current arrangements.
- Additional short-term funding for increased pension costs of approximately £96k has been secured from DfE that will ensure that this liability does not increase during 24/25.

The evidence at the time of writing this report is that all these factors are accurate and support the business plan for the next two years with the ability to recover the existing liabilities without incurring further obligations. On this basis the Trustees have a reasonable expectation that the BMT has adequate ongoing resources to continue in operational existence for the foreseeable future whilst meeting all its repayments and so continue to proceed with these accounts on the basis of a going concern.

#### **Achievements and performance**

##### *Significant activities and achievements against objectives*

##### *Fundraising practices*

This has been a highly successful year for BMT as rebuilding activity and participation following the impacts of the Covid-19 pandemic and its effect on activity levels but has continued to take time to recover from some of the financial impact of this period. Things are very much moving in the right direction, but taking time to do so, without implementing the type of price rises that would go against our charitable mission of inclusion and equity of opportunity.

From Summer term 2022 to summer term 2023 the following increases in activity were registered:

- Instrumental & vocal teaching increased by 18%
- Music Centre membership increased by 22%
- County Groups membership increased by 19%
- School membership increased by 22%
- Delivery of Whole Class Practical Musicianship (WCPM) increased by 16%

We also saw an increase in all areas of the number of performance opportunities for young musicians, both local and county-wide and across all genres.

The year saw a full range of large events including;

- The Battle of the Bands final at the Swan Old Town Hall in March with a record number of applications and auditions.
- Our RAH Celebration Concert on Tuesday March 2023 was a huge success. The focus was on excellence and diversity and so the music, composers and conductors were selected ensuring to represent the broadest possible range of music, but with the highest quality of arrangement and performance at every ability level.
- We invited 2022 leavers to share the opportunity to participate should they wish to. We were also joined by KS3 choirs from 17 secondary schools (about 400 singers) and young musicians from the Slough Youth Orchestra, Amersham Beginner Band and Mill End Voices as active partners.
- The Bucks Young Musician of the Year final took place at Aylesbury Music Centre in late March and was livestreamed as well. Again we had a record entry and the eventual winner was Emma Harrington, a young soprano who will be studying at Royal Academy of Music next year.
- All the County groups (Youth Orchestra, Wind Ensemble, Jazz Collective and Youth Choir), comprising 92 outstanding young musicians, undertook a tour to Gent in Belgium, with the highlight being a full afternoon of music on a large stage in the cathedral square in Gent on the final Saturday afternoon of the GentFest with audiences of about 1000 and wide acclaim.

# BUCKINGHAMSHIRE MUSIC TRUST

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE PERIOD ENDED 29 JULY 2023

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### Financial review

#### *Reserves policy*

It is the policy of the BMT that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to two month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the BMT's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has yet to be reached but measures are in place to work towards this position across the next two years..

### Structure, governance and management

The BMT is a company limited by guarantee and a not-for-profit charity.

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

D C Mansfield

L Presencer

(Resigned 31 March 2023)

J M Atkin

(Resigned 27 March 2023)

P Downton

S J Imbriano

#### *Recruitment and appointment of trustees*

In accordance with our articles, recruitment to the board of trustees was approved by the existing board with a view to expanding the range of skills across the board to ensure strategic guidance and effective scrutiny of the activities of the company.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

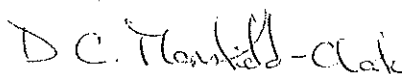
The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

During this year of trading BMT employed a senior leadership team of 7 and central administration team of 6 and a teaching staff of approximately 85 with a FTE of approximately 42.5.

The Trustees report was approved by the Board of Trustees.



D C Mansfield

Date: 25/6/24

# BUCKINGHAMSHIRE MUSIC TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF BUCKINGHAMSHIRE MUSIC TRUST

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This forms the report to the Trustees on examination of the financial statements of Buckinghamshire Music Trust (the BMT) for the Period ended 29 July 2023.

#### Responsibilities and basis of report

As the Trustees of the BMT (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having been satisfied that the financial statements of the BMT are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, this report in respect of the examination of the BMT's financial statements has been carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out the examination, all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act have been rigorously followed.

#### Independent examiner's statement

Since the BMT's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act and it is confirmed that these conditions have been satisfied

Upon completion of the examination. It is confirmed that no matters have come to attention in connection with the examination giving cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the BMT as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

There are no concerns that have been 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.



Dated: 8/10/24



# BUCKINGHAMSHIRE MUSIC TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE PERIOD ENDED 29 JULY 2023**

|  |       | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|--|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
|  | Notes |                                    |                                  |                    |                                    |                                  |                    |
| <b>Income from:</b>                          |       |                                    |                                  |                    |                                    |                                  |                    |
| Donations and legacies                       | 2     | 744,005                            | 37,796                           | 781,801            | 825,652                            | 15,000                           | 840,652            |
| Charitable activities                        | 3     | 1,396,020                          | -                                | 1,396,020          | 1,363,444                          | -                                | 1,363,444          |
| <b>Total income</b>                          |       | <u>2,140,025</u>                   | <u>37,796</u>                    | <u>2,177,821</u>   | <u>2,189,096</u>                   | <u>15,000</u>                    | <u>2,204,096</u>   |
| <b>Expenditure on:</b>                       |       |                                    |                                  |                    |                                    |                                  |                    |
| Charitable activities                        | 4     | 2,401,759                          | 49,077                           | 2,450,836          | 2,284,718                          | 17,590                           | 2,302,308          |
| Other expenditure                            | 9     | 6,539                              | -                                | 6,539              | 6,928                              | -                                | 6,928              |
| <b>Total expenditure</b>                     |       | <u>2,408,298</u>                   | <u>49,077</u>                    | <u>2,457,375</u>   | <u>2,291,646</u>                   | <u>17,590</u>                    | <u>2,309,236</u>   |
| <b>Net expenditure and movement in funds</b> |       | (268,273)                          | (11,281)                         | (279,554)          | (102,550)                          | (2,590)                          | (105,140)          |
| <b>Reconciliation of funds:</b>              |       |                                    |                                  |                    |                                    |                                  |                    |
| Fund balances at 31 July 2022                |       | <u>(262,632)</u>                   | <u>16,574</u>                    | <u>(246,058)</u>   | <u>(160,082)</u>                   | <u>19,164</u>                    | <u>(140,918)</u>   |
| <b>Fund balances at 29 July 2023</b>         |       | <u>(530,905)</u>                   | <u>5,293</u>                     | <u>(525,612)</u>   | <u>(262,632)</u>                   | <u>16,574</u>                    | <u>(246,058)</u>   |

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

# BUCKINGHAMSHIRE MUSIC TRUST

## BALANCE SHEET

AS AT 29 JULY 2023

|  |       | 2023      | 2022      |
|--|-------|-----------|-----------|
|  | Notes | £         | £         |
| <b>Fixed assets</b>  |       |           |           |
| Tangible assets  | 11    | 7,906     | 8,844     |
| <b>Current assets</b>  |       |           |           |
| Debtors  | 12    | 167,206   | 80,404    |
| Cash at bank and in hand                                       |       | -         | 81,226    |
|  |       | 167,206   | 161,630   |
| <b>Creditors: amounts falling due within one year</b>          | 14    | (682,340) | (388,039) |
| <b>Net current liabilities</b>                                 |       | (515,134) | (226,409) |
| <b>Total assets less current liabilities</b>                   |       | (507,228) | (217,565) |
| <b>Creditors: amounts falling due after more than one year</b> | 15    | (18,384)  | (28,493)  |
| <b>Net assets excluding pension liability</b>                  |       | (525,612) | (246,058) |
| <b>Net liabilities</b>   |       | (525,612) | (246,058) |
| <b>The funds of the BMT</b>                                    |       |           |           |
| Restricted income funds  | 18    | 5,293     | 16,574    |
| Unrestricted funds   |       | (530,905) | (262,632) |
|  |       | (525,612) | (246,058) |

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

The members have not required the company to obtain an audit of its financial statements for the Period in question in accordance with section 476.

# BUCKINGHAMSHIRE MUSIC TRUST

## BALANCE SHEET (CONTINUED)

AS AT 29 JULY 2023

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

The financial statements were approved by the Trustees on 25/6/24

D.C. Mansfield - Clark

D C Mansfield

Company registration number 11198293 (England and Wales)

# BUCKINGHAMSHIRE MUSIC TRUST

## STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 29 JULY 2023

|   | Notes | 2023<br>£ | £        | 2022<br>£ | £       |
|---|-------|-----------|----------|-----------|---------|
| <b>Cash flows from operating activities</b>                   |       |           |          |           |         |
| Cash (absorbed by)/generated from operations                  | 24    |           | (75,861) |           | 92,636  |
| <b>Investing activities</b>                                   |       |           |          |           |         |
| Purchase of tangible fixed assets                             |       | (1,423)   |          | (7,643)   |         |
| <b>Net cash used in investing activities</b>                  |       |           | (1,423)  |           | (7,643) |
| <b>Financing activities</b>                                   |       |           |          |           |         |
| Repayment of bank loans                                       |       | (10,109)  |          | (9,932)   |         |
| <b>Net cash used in financing activities</b>                  |       |           | (10,109) |           | (9,932) |
| <b>Net (decrease)/increase in cash and cash equivalents</b>   |       |           | (87,392) |           | 75,061  |
| Cash and cash equivalents at beginning of Period              |       |           | 81,226   |           | 6,165   |
| <b>Cash and cash equivalents at end of Period</b>             |       |           | (6,167)  |           | 81,226  |
| <b>Relating to:</b>   |       |           |          |           |         |
| Cash at bank and in hand                                      |       |           | -        |           | 81,226  |
| Bank overdrafts included in creditors payable within one year |       |           | (6,167)  |           | -       |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED 29 JULY 2023**

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### 1 Accounting policies

#### Charity information

Buckinghamshire Music Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Aylesbury Music Centre, Walton Road, Aylesbury, Buckinghamshire, HP21 7ST.

#### 1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the BMT. 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 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 a reasonable expectation that the BMT has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

This has been another challenging year as BMT recovers from the impact of Covid-19 pandemic and the effect that had on both activity levels and ability to trade effectively. Although BMT has a negative Balance Sheet, £526k of this is on a repayment plan and cashflows have been reviewed to ensure this can be met. BMT has been extremely successful in terms of recovering its previous activity levels and this has now been combined with the ability to restructure business plans and increase fees in most areas, which was impossible at the start of the 22/23 year due to the end effects of the Covid-19 pandemic. Therefore at the time of approving the financial statements, the Trustees have a reasonable expectation that the BMT has adequate resources to continue in operational existence for the foreseeable future whilst meeting all its repayment obligations. Thus, the trustees continue to adopt the going concern basis in preparing the financial statements. See full trustees report for further details.

#### 1.3 Charitable funds

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

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

#### 1.4 Income

All income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

Donations - recognised at point of notification

Grants - recognised at point of received or receivable

Traded income - recognised at point of invoice

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

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

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

#### 1.6 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:

|                   |                            |
|-------------------|----------------------------|
| Music instruments | 20% on reducing balance    |
| Motor vehicles    | 33.33% on reducing balance |

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

#### 1.7 Impairment of fixed assets

At each reporting end date, the BMT 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 BMT 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 BMT's balance sheet when the BMT becomes party to the contractual provisions of the instrument.

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

#### *Basic financial assets*

Basic financial assets, which include 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.

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 1 Accounting policies

(Continued)

#### **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.

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

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

#### **Derecognition of financial liabilities**

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

#### **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 BMT 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.

### 2 Donations and legacies

|  | Unrestricted<br>funds | Restricted<br>funds | Total Unrestricted<br>funds | Restricted<br>funds   | Total         |
|--|-----------------------|---------------------|-----------------------------|-----------------------|---------------|
|  | 2023<br>£             | 2023<br>£           | 2023<br>£                   | 2022<br>£             | 2022<br>£     |
| Grants                                   | 744,005               | 37,796              | 781,801                     | 825,652               | 15,000        |
|  | <u>744,005</u>        | <u>37,796</u>       | <u>781,801</u>              | <u>825,652</u>        | <u>15,000</u> |
| Grants receivable for<br>core activities |                       |                     |                             |                       |               |
| Other                                    | <sup>^^</sup> 744,005 | 37,796              | 781,801                     | <sup>^^</sup> 825,652 | 15,000        |
|  | <u>744,005</u>        | <u>37,796</u>       | <u>781,801</u>              | <u>825,652</u>        | <u>15,000</u> |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 2 Donations and legacies

(Continued)

^^ The ACE funding to BMT is to support our role as the core organisation of the Bucks Music Education Hub and to support the realisation of the core and extension roles within the National Plan for Music. As this description encompasses virtually all of BMTs activities, including the development of partnership work, therefore it is treated as an unrestricted grant that supports the mission and aims of the organisation. A significant amount of this grant is used to support specific activities in the core roles, such as Whole Class Practical Musicianship delivered at a highly subsidised rate to schools.

### 3 Income from charitable activities

|               | Unrestricted<br>funds<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ |
|---------------|------------------------------------|------------------------------------|
| Music tuition | 1,146,197                          | 1,194,276                          |
| Exam fees     | 38,132                             | 38,326                             |
| Other income  | 211,691                            | 130,842                            |
|               | <u>1,396,020</u>                   | <u>1,363,444</u>                   |



# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 4 Expenditure on charitable activities

|   | Unrestricted<br>Fund<br>2023<br>£ | Restricted<br>Fund<br>2023<br>£ | Total<br>2023<br>£ | Heading<br>#ac982<br>2022<br>£ | Heading<br>#ac983<br>2022<br>£ | Total<br>2022<br>£ |
|---|-----------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------------|--------------------|
| <b>Direct costs</b>                                       |                                   |                                 |                    |                                |                                |                    |
| Staff costs   | 1,510,413                         | 34,677                          | 1,545,090          | 1,439,437                      | 15,940                         | 1,455,377          |
| Depreciation and impairment                               | 2,361                             | -                               | 2,361              | 2,605                          | -                              | 2,605              |
| Other operating leases                                    | 74,657                            | -                               | 74,657             | 71,071                         | -                              | 71,071             |
| Licensing and subscriptions                               | 3,845                             | -                               | 3,845              | 6,401                          | -                              | 6,401              |
| Exam fees costs   | 22,035                            | -                               | 22,035             | 23,538                         | -                              | 23,538             |
| Events and tours  | 122,505                           | 6,400                           | 128,905            | 108,254                        | 1,650                          | 109,904            |
| Equipment expensed  | -                                 | -                               | -                  | (100)                          | -                              | (100)              |
| Instruments repair  | 8,680                             | -                               | 8,680              | 8,663                          | -                              | 8,663              |
| Storage   | 6,825                             | -                               | 6,825              | 7,201                          | -                              | 7,201              |
| DBS checks  | 2,102                             | -                               | 2,102              | 2,428                          | -                              | 2,428              |
| Sundry expenses   | 2,191                             | -                               | 2,191              | 442                            | -                              | 442                |
| Training and meeting costs                                | 5,227                             | -                               | 5,227              | 3,331                          | -                              | 3,331              |
| Staff welfare   | 3,126                             | -                               | 3,126              | 1,267                          | -                              | 1,267              |
|   | <u>1,763,967</u>                  | <u>41,077</u>                   | <u>1,805,044</u>   | <u>1,674,538</u>               | <u>17,590</u>                  | <u>1,692,128</u>   |
| <b>Share of support and governance costs (see note 5)</b> |                                   |                                 |                    |                                |                                |                    |
| Support   | 629,173                           | 8,000                           | 637,173            | 597,207                        | -                              | 597,207            |
| Governance  | 8,619                             | -                               | 8,619              | 12,973                         | -                              | 12,973             |
|   | <u>2,401,759</u>                  | <u>49,077</u>                   | <u>2,450,836</u>   | <u>2,284,718</u>               | <u>17,590</u>                  | <u>2,302,308</u>   |
| <b>Analysis by fund</b>                                   |                                   |                                 |                    |                                |                                |                    |
| Unrestricted funds  | 2,401,759                         | -                               | 2,401,759          | 2,284,718                      | -                              | 2,284,718          |
| Restricted funds  | -                                 | 49,077                          | 49,077             | -                              | 17,590                         | 17,590             |
|   | <u>2,401,759</u>                  | <u>49,077</u>                   | <u>2,450,836</u>   | <u>2,284,718</u>               | <u>17,590</u>                  | <u>2,302,308</u>   |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 5 Support costs

|  | Support costs  | Governance costs | 2023           | Support costs  | Governance costs | 2022           |
|--|----------------|------------------|----------------|----------------|------------------|----------------|
|  | £              | £                | £              | £              | £                | £              |
| Staff costs                            | 484,849        | -                | 484,849        | 462,065        | -                | 462,065        |
| Rates and water                        | 4,138          | -                | 4,138          | 4,065          | -                | 4,065          |
| Insurance                              | 12,046         | -                | 12,046         | 9,482          | -                | 9,482          |
| Light and heat                         | 8,556          | -                | 8,556          | 9,187          | -                | 9,187          |
| Telephone                              | 4,716          | -                | 4,716          | 4,559          | -                | 4,559          |
| Postage and stationery                 | 6,996          | -                | 6,996          | 11,639         | -                | 11,639         |
| Motor expenses                         | 46,216         | -                | 46,216         | 41,401         | -                | 41,401         |
| Premise expenses                       | 9,665          | -                | 9,665          | 9,063          | -                | 9,063          |
| Bank charges                           | 2,155          | -                | 2,155          | 3,089          | -                | 3,089          |
| Bank loan interest                     | 736            | -                | 736            | 313            | -                | 313            |
| IT software                            | 49,101         | -                | 49,101         | 28,768         | -                | 28,768         |
| Audit fees                             | -              | 3,810            | 3,810          | -              | 8,760            | 8,760          |
| Accountancy and legal fees             | -              | 4,809            | 4,809          | -              | 4,213            | 4,213          |
|  | <u>629,174</u> | <u>8,619</u>     | <u>637,793</u> | <u>579,641</u> | <u>12,600</u>    | <u>610,180</u> |
| Analysed between Charitable activities | <u>637,173</u> | <u>8,619</u>     | <u>645,792</u> | <u>579,641</u> | <u>12,600</u>    | <u>610,180</u> |

Governance costs includes payments to the auditors of £3,810 (2022- £8,760) for audit fees.

### 6 Net movement in funds

|   | 2023         | 2022         |
|---|--------------|--------------|
|   | £            | £            |
| The net movement in funds is stated after charging/(crediting): |              |              |
| Fees payable to the Auditors                                    | 3,810        | 8,760        |
| Depreciation of owned tangible fixed assets                     | <u>2,361</u> | <u>2,605</u> |

### 7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the BMT during the Period.

### 8 Employees

The average monthly number of employees during the Period was:

|       | 2023       | 2022      |
|-------|------------|-----------|
|       | Number     | Number    |
| Staff | <u>101</u> | <u>93</u> |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 8 Employees (Continued)

| Employment costs      | 2023<br>£        | 2022<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 1,582,241        | 1,497,031        |
| Social security costs | 120,419          | 116,659          |
| Other pension costs   | 327,279          | 303,752          |
|                       | <u>2,029,939</u> | <u>1,917,442</u> |

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

|                     | 2023<br>Number | 2022<br>Number |
|---------------------|----------------|----------------|
| £90,001 to £100,000 | <u>1</u>       | <u>1</u>       |

### 9 Other

|                        | Unrestricted<br>funds | Unrestricted<br>funds |
|------------------------|-----------------------|-----------------------|
|                        | 2023                  | 2022                  |
| Other interest         | -                     | 6,928                 |
| Bad and doubtful debts | <u>6,539</u>          | <u>-</u>              |

### 10 Taxation

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

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 11 Tangible fixed assets

|                                    | Music<br>instruments<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|------------------------------------|---------------------------|------------------------|------------|
| <b>Cost</b>                        |                           |                        |            |
| At 31 July 2022                    | 9,442                     | 3,550                  | 12,992     |
| Additions                          | 1,423                     | -                      | 1,423      |
| At 29 July 2023                    | 10,865                    | 3,550                  | 14,415     |
| <b>Depreciation and impairment</b> |                           |                        |            |
| At 31 July 2022                    | 2,176                     | 1,972                  | 4,148      |
| Depreciation charged in the Period | 1,835                     | 526                    | 2,361      |
| At 29 July 2023                    | 4,011                     | 2,498                  | 6,509      |
| <b>Carrying amount</b>             |                           |                        |            |
| At 29 July 2023                    | 6,854                     | 1,052                  | 7,906      |
| At 30 July 2022                    | 7,266                     | 1,578                  | 8,844      |

### 12 Debtors

|   | 2023<br>£ | 2022<br>£ |
|---|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 150,331   | 64,862    |
| Other debtors                               | 6,000     | 6,000     |
| Prepayments and accrued income              | 10,875    | 9,542     |
|   | 167,206   | 80,404    |

### 13 Loans and overdrafts

|                         | 2023<br>£ | 2022<br>£ |
|-------------------------|-----------|-----------|
| Bank overdrafts         | 6,167     | -         |
| Bank loans              | 28,384    | 38,493    |
|                         | 34,551    | 38,493    |
| Payable within one year | 16,167    | 10,000    |
| Payable after one year  | 18,384    | 28,493    |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 29 JULY 2023

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

|                                    | Notes | 2023<br>£      | 2022<br>£      |
|------------------------------------|-------|----------------|----------------|
| Bank loans and overdrafts          | 13    | 16,167         | 10,000         |
| Other taxation and social security |       | 181,702        | 217,088        |
| Deferred income                    | 16    | 82,181         | -              |
| Trade creditors                    |       | 58,127         | 51,878         |
| Pension payable                    |       | 339,352        | 99,005         |
| Accruals and deferred income       |       | 4,811          | 10,068         |
|                                    |       | <u>682,340</u> | <u>388,039</u> |

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

|            | Notes | 2023<br>£     | 2022<br>£     |
|------------|-------|---------------|---------------|
| Bank loans | 13    | <u>18,384</u> | <u>28,493</u> |

### 16 Deferred income

|                       | 2023<br>£     | 2022<br>£ |
|-----------------------|---------------|-----------|
| Other deferred income | <u>82,181</u> | <u>-</u>  |

Deferred income is included in the financial statements as follows:

|                                     | 2023<br>£     | 2022<br>£ |
|-------------------------------------|---------------|-----------|
| Deferred income is included within: |               |           |
| Current liabilities                 | <u>82,181</u> | <u>-</u>  |
| Movements in the Period:            |               |           |
| Deferred income at 31 July 2022     | -             | 28,320    |
| Released from previous periods      | -             | (28,320)  |
| Resources deferred in the Period    | <u>82,181</u> | <u>-</u>  |
| Deferred income at 29 July 2023     | <u>82,181</u> | <u>-</u>  |

### 17 Retirement benefit schemes

|   | 2023<br>£      | 2022<br>£      |
|---|----------------|----------------|
| Defined contribution schemes  |                |                |
| Charge to profit or loss in respect of defined contribution schemes | <u>327,279</u> | <u>303,752</u> |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 17 Retirement benefit schemes

(Continued)

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

### 18 Restricted funds

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

|                | At 31 July<br>2022<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | At 29 July<br>2023<br>£ |
|----------------|-------------------------|----------------------------|----------------------------|-------------------------|
|                | 16,574                  | 37,796                     | (49,077)                   | 5,293                   |
| Previous year: | At 31 July<br>2021<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | At 30 July<br>2022<br>£ |
|                | 19,164                  | 15,000                     | (17,590)                   | 16,574                  |

### 19 Unrestricted funds

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

|                | At 31 July<br>2022<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | At 29 July<br>2023<br>£ |
|----------------|-------------------------|----------------------------|----------------------------|-------------------------|
| General funds  | (262,632)               | 2,140,025                  | (2,408,298)                | (530,905)               |
| Previous year: | At 31 July<br>2021<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | At 30 July<br>2022<br>£ |
| General funds  | (160,082)               | 2,189,096                  | (2,291,646)                | (262,632)               |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 20 Analysis of net assets between funds

|   | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>2023<br>£ | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>2022<br>£ |
|---|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Fund balances at 29 July 2023 are represented by: |                                    |                                  |                    |                                    |                                  |                    |
| Tangible assets                                   | 7,906                              | -                                | 7,906              | 8,844                              | -                                | 8,844              |
| Current assets/(liabilities)                      | (515,135)                          | -                                | (515,135)          | (242,983)                          | 16,574                           | (226,409)          |
| Long term liabilities                             | (18,384)                           | -                                | (18,384)           | (28,493)                           | -                                | (28,493)           |
|   | <u>(525,613)</u>                   | <u>-</u>                         | <u>(525,613)</u>   | <u>(262,632)</u>                   | <u>16,574</u>                    | <u>(246,058)</u>   |

### 21 Operating lease commitments

#### Lessee

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

|                 | 2023<br>£     | 2022<br>£     |
|-----------------|---------------|---------------|
| Within one year | <u>10,000</u> | <u>10,000</u> |

### 22 Capital commitments

Amounts contracted for but not provided in the financial statements:

There were no capital commitments outstanding as at 30 July 2023 (2022 - none).

### 23 Related party transactions

There were no disclosable related party transactions during the Period (2022 - none).

### 24 Cash generated from operations

|  | 2023<br>£       | 2022<br>£       |
|--|-----------------|-----------------|
| Deficit for the Period                               | (279,554)       | (105,140)       |
| Adjustments for:                                     |                 |                 |
| Depreciation and impairment of tangible fixed assets | 2,361           | 2,605           |
| Movements in working capital:                        |                 |                 |
| (Increase)/decrease in debtors                       | (86,802)        | 164,919         |
| Increase in creditors                                | 205,953         | 58,572          |
| Increase/(decrease) in deferred income               | <u>82,181</u>   | <u>(28,320)</u> |
| Cash (absorbed by)/generated from operations         | <u>(75,861)</u> | <u>92,636</u>   |

# BUCKINGHAMSHIRE MUSIC TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 29 JULY 2023

### 25 Analysis of changes in net debt

|  | At 31 July 2022<br>£ | Cash flows<br>£ | At 29 July 2023<br>£ |
|--|----------------------|-----------------|----------------------|
| Cash at bank and in hand                   | 81,226               | (81,226)        | -                    |
| Bank overdrafts                            | -                    | (6,167)         | (6,167)              |
|  | <u>81,226</u>        | <u>(87,393)</u> | <u>(6,167)</u>       |
| Loans falling due within one year          | (10,000)             | -               | (10,000)             |
| Loans falling due after more than one year | (28,493)             | 10,109          | (18,384)             |
|  | <u>42,733</u>        | <u>(77,284)</u> | <u>(34,551)</u>      |