

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
WANDSWORTH MUSIC**

Haines Watts
Chartered Accountants & Statutory Auditors
Old Station House
Station Approach
Swindon
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WANDSWORTH MUSIC

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WANDSWORTH MUSIC
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are for the public benefit:

1. To advance education particularly (but not exclusively) in relation to music;
2. to advance the arts and culture, particularly (but not exclusively), by promoting and facilitating access to, performances of, and participation in performances of, music;
3. to provide for the recreation of members of the public by providing equipment, facilities and services to them in the interests of social welfare with the object of improving their conditions of life.

Our vision is to inspire enjoyment and excellence in music for all children and young people in Wandsworth. We want all children and young people to have the opportunity to find their musical voice, develop their personal and social confidence, progress on their musical journey and fulfil their musical talents and potential.

Our mission is to ensure that high quality and inspirational music education is available and accessible to all children and young people. We create high quality musical outcomes by providing outstanding and inclusive music tuition along with opportunities for all young people to experience the thrill of performing on world renowned concert stages!

Arts Council England

Wandsworth Music is the lead organisation of the Wandsworth Music Education Hub, part of a national network of music education hubs established in 2012. Wandsworth Music receives funding directly from Arts Council England on behalf of the Department for Education with a remit to implement the National Plan for Music Education (NPME).

As lead organisation for the local Music Education Hub, Wandsworth Music (WM) continues to fully implement the National Plan for Music Education (NPME), undertaking all the core and extension roles as detailed in the plan.

A positive relationship continues with Arts Council England (ACE) who distribute funding on behalf of the Department for Education (DfE). A significant amount of background information and statistical data is provided to ACE on a regular basis to secure the release of grant payments. The Annual feedback letter was received from ACE in January 2024.

ACE has assessed the level of risk attached to the allocated DfE funding as minor risk, requiring a minimal level of monitoring and contact during the 2023-24 academic year.

Publication of the second National Plan for Music Education (NPME2)

In June 2022 the new [National Plan for Music Education](#) was published by the DfE. The original core and extension roles have been removed and replaced with three aims and five strategic functions. The three aims are;

- Support all schools to deliver a high-quality music education
- Support young people to develop their musical interests and talent further, including into employment.
- Support all children and young people to engage with a range of musical opportunities in and out of school.

The five strategic functions, to be delivered through partnership are;

- Take a leading role in building a sustainable, local infrastructure for high quality music education and music making in partnership with others.
- Support all state funded schools to deliver music, in and beyond the curriculum.

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- Support children and young people to progress in music.
- Drive broad access to music, so every child has the opportunity to participate, irrespective of their circumstances.
- Ensure the strategic, financial and operational sustainability of the Music Hub.

The DfE also confirmed that the number of Hub Lead Organisations (HLO's) will reduce from 117 to 43. The new HLO's will be selected through a competitive bidding process and will be operational from 1 September 2024. This process will require existing services to collaborate more closely across larger areas, creating a lead organisation to service the relationship with ACE.

South West London Music Education Partnership (SWLMEP)

SWLMEP is an informal partnership of seven South West London Music Services, comprising Croydon Music and Arts, Hounslow Music Service, Kingston Music Service, Merton Music Foundation, Richmond Music Trust, Sutton Music Service and Wandsworth Music. This group has worked collaboratively for more than 20 years, providing joint training days, joint projects, training for middle and senior leaders as well as sharing resources like instruments, curriculum documents and policies. The group has endured through changes in leadership across the region.

In light of the DfE intention to reduce the number of Music Hubs across the country, the seven music services which make up SWLMEP, agreed to create a new company SWL Music in order to apply to ACE to lead the Music Hub across South West London. The seven individual organisations will continue to exist as sovereign organisations and deliver music education services in each local area, and together will run SWL Music.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

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ACHIEVEMENT AND PERFORMANCE

The 2023-2024 financial year was one of significant growth and development across all areas.

- Weekly curriculum and whole class music lessons were directly delivered to approximately 8,500 children in 44 primary schools (22/23: 39). This represents 72% of all primary schools in Wandsworth (22/23: 64%).
- 92% of schools were supported via our school music education plans.
- Instrumental & vocal lesson numbers increased to 1,255 (22/23: 1,090).
- A total of 524 pupils received tuition at the music academy, an increase of 4%. (22/23: 505)
- More than 3,000 musical instruments were loaned to schools and young people.
- Total turnover increased by 15% to £1.77m (22/23: £1.55m)
- Launch of a new borough inclusive ensemble (BEYOND) for young musicians with special education needs and disabilities (SEND).

Our Impact in words

"I have had the best time over the last 9 years at the academy and I know that it is because of my musical education at Wandsworth that I have now been given this opportunity at the Royal College of Music. I've learnt so much over the years and have had amazing experiences, opportunities, support and care from everyone, it means the world to me - thank you so much!"

"Where should I start? Tuesday evening was so special on so many levels: opportunities, inclusion, quality.... You are so ambitious for our children, and they respond well because they are surrounded by great role models and amazing tutors"

"If there is one thing that sums up this wonderful event it was the parents (and admittedly some of the staff) who were in tears at the impact and beauty of this event. Parents were shocked, one said: 'I never get to see my child in these kinds of events, thank you so much.'"

"Most people write off my daughter because she cannot speak, but you have managed to have a deeply personal conversation with her."

"Wandsworth Music and the fantastic team that they have built have become central to the school's identity. Not only are the children receiving very high quality music lessons, but their enjoyment and pride is through the roof."

Working in partnership

WM has a well-established range of partners who supplement and enhance our work. Strong partnership relationships enable us to gain access to other additional funding streams, enhance our offer and avoid duplication, and work with professional musicians from different backgrounds. We continue to focus on partnerships that help to support and develop our musical offer, providing tangible musical benefits for children. Some of our key partners during the 23/24 financial year include:

- **The Royal Philharmonic Orchestra** who support work with Wandsworth Special Schools and Looked After Children.
- **South West London Music Education Partnership:** A Strategic partnership of seven southwest London Music services.
- **The National Opera Studio:** Support for secondary singing development & solo dramatic singing through the Diverse Voices programme.
- **Wandsworth Council Arts Service:** Co-creation of CPD programmes, advocacy and additional funding.
- **Burntwood School:** Provide in kind support for the Wandsworth Music Academy through free hire for borough events, concerts, rehearsals and significantly reduced rates for other hires.
- **Ibstock Place School:** In kind support for example free hires for ABRSM exams and borough concerts.
- **Philharmonia Orchestra:** Coaching and side by side performance opportunities, including the Benedetti Foundation string project.
- **London Music Fund & Thomas' Foundation** funded 30 music scholarships for children in financial need.
- **All Saints Church:** Free in-kind use of venue for rehearsals and performances.

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- **St Luke's Battersea:** Workshops & masterclass opportunities where world renowned musicians work with students at WMA

School support: Curriculum Music & Classroom Instrumental Learning

Support for schools remained our key focus, and relationships with all borough schools remained strong. During the year we continued supporting schools to implement their music curriculum, with advice and support around the Model Music Curriculum and Schools Music Development Plans.

There was a significant increase in demand for curriculum music delivery with 19 primary schools (22/23: 14) now receiving direct whole school curriculum music delivery from Wandsworth Music.

In total 8,500 children from 44 primary schools (22/23: 39) received direct delivery of curriculum music, vocal and classroom instrumental tuition.

Enabling access to instrumental music making for all children continues to be a priority. The increase in demand for whole school curriculum music delivery has resulted in a significant increase in the number of children engaging in classroom instrumental learning.

In total 5,438 children (22/23: 2,827) received free instrumental learning tuition, during class time, free of charge at the point of access. 2,667 children (22/23: 1,850) received this tuition for the very first time.

Support for school teachers and music leads continued to be provided by termly music network meetings, vocal project CPD and project specific CPD.

Special School Work

Bespoke programme delivery continued at Garratt Park Special School and Nightingale Community Academy where pupils are supported to learn a range of orchestral and adapted instruments in small groups.

The annual special school project was once again delivered in partnership with the Royal Philharmonic Orchestra. The project engaged three special schools with a series of creative music workshops, delivered by members of the Royal Philharmonic Orchestra and Wandsworth Music tutors. The project culminated in a performance at Fairfield Halls, Croydon in March 2024.

We were also pleased to launch BEYOND, an inclusive ensemble, which provides ensemble progression pathways for pupils from Special and Mainstream schools. The ensemble will feature at the Royal Albert Hall concert in March 2025.

Singing Strategy

Singing forms an integral part of all programmes in schools. Bespoke programmes of support are available for all primary phases including; termly singing programmes; singing assemblies; choirs and CPD. Singing is also a fundamental part of curriculum and whole class instrumental provision, where pupils learn to vocalise tunes, before learning them on their instruments.

We were delighted to again partner with the National Opera Studio, who supported our work in Wandsworth Secondary Schools and with the Wandsworth Youth Choir, leading towards a massed choir performance involving 250 secondary singers at Fairfield Halls, Croydon and solo performance opportunities at the National Opera Studio in Wandsworth Town.

Singing programmes were delivered to more than 3,250 children during the year and culminated in performances at Fairfield Hall. In total more than 1,700 children sang in these performances.

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Progression

Progression pathways are supported at our centre of musical excellence, the Wandsworth Music Academy. The Academy supports the learning of approximately 500 students and has a clear, progressive ensemble structure in place catering for a wide range of ages, abilities & genres. Places at the Academy continue to be in high demand.

In school progression is offered via peripatetic tuition, continuation programmes, singing projects & school ensembles. Peripatetic lessons are offered directly to parents via the Speed Admin tuition management system. This system has proven very successful and has supported an increase of pupil numbers from 1,090 to 1,255 during the course of the year.

We were delighted that several members of the Wandsworth Philharmonic Orchestra successfully gained places at Junior Music Colleges this year.

Wandsworth Music Academy

The Music Academy runs on Tuesdays, Wednesdays and Saturdays and has a significant focus on ensemble playing and performance across multiple diverse genres including Jazz, Rock & Pop, Classical, West African Djembe Drumming, Steel Pans and more!

Ensemble numbers remained strong, with many groups running at full capacity.

All ensembles have regular performance opportunities and work towards at least two performances each year. The main ensembles running at the Academy during the Year were:

- Philharmonic, Concert, Junior & Training Orchestras
- Training Strings, Wind & Brass
- Junior Concert Band
- Senior Strings
- String Thing!
- Four String Quartets
- Three Jazz Orchestras
- Guitar Ensemble
- Music Production & Songwriting
- Performance Troupe Seniors
- Performance Troupe Juniors
- Two Saxophone quartets
- Six Pop and Rock bands
- Percussion Ensemble
- Multiple Djembe Drumming & Steel Pans Groups
- Wandsworth Youth Choir
- Brass Quartet
- Wind Orchestra
- BEYOND ensemble

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Instrument Hire

Approximately 2,500 instruments were loaned free of charge for instrumental and curriculum Music programmes. A further 500 were hired directly to pupils receiving tuition at the Music Academy or in schools.

Instruments for pupils in receipt of pupil premium are heavily discounted (£12.50 per term) and instruments for looked after children are provided free of charge.

Investment in high quality instruments and attention to regular, ongoing maintenance has ensured that hundreds of instruments are kept in working order beyond their usual expected life.

Concerts & Events

Concert & events continue to be an integral part of our offer and an important way of celebrating the children and young people we work with. These events offer young people an unmatched sense of collective accomplishment and memories that will fuel their enthusiasm for and engagement with music for years to come.

Highlights this year include two sell out concerts at Fairfield Halls in March 2024 and a concert tour to Czechia and Slovakia in July 2023. In total more than 3,500 young people from Wandsworth Schools and the Wandsworth Music Academy performed in major concerts in front of collective audiences of more than 6,000 people.

Concert and event highlights included:

- Wandsworth Philharmonic Orchestra Tour to Czechia and Slovakia in July 2023.
- Wandsworth Philharmonic Orchestra performing at Quarter Finals Day at the Wimbledon Tennis Championships
- Two Winter Sounds Concerts at Fairfield Halls, Croydon featuring 1,100 pupils across two evenings.
- Two Brighter Sounds Concerts at Fairfield Halls, Croydon featuring 1,200 pupils across two evenings.
- Wandsworth Jazz Orchestra performing at the London Jazz Festival, featuring new commissions from saxophonist Damian Cook
- Music Academy & Chestnut Grove Pop Bands performing at the Bedford Pub in Balham.
- Wandsworth Concert Orchestra side by side performance with Philharmonia Orchestra Clore Ballroom
- Wandsworth Music Academy Strings Players masterclasses with Benedetti & Philharmonia Orchestra at the Southbank Centre.
- Summer Schools Showcase in partnership with Wandsworth Arts at the Fringe Festival.
- Music Academy Concerts
- Young Musician of the Year competition
- Grow Roehampton Street Band procession

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Youth Council

The Wandsworth Music Youth Council set out to raise £5,000 this year to support the student tour to Spain in summer 2024.

The youth council hosted a range of events throughout the year. Events included bake sales, book sales, a Christmas fair and chamber music concerts. The youth council oversaw all aspects of the years fundraising, from arranging music to conducting groups to baking cakes, to making hair accessories. to asking for donations from local businesses for raffles.

Funds raised during the year support bursaries for a number of students going on the student tour to Spain and a trip to a Spanish water park. The youth council continue to assist with WM events such as parent meetings and Academy tours and hope to continue their fundraising efforts in 2024-2025.

Music Therapy

Music Therapy provision continued to grow with contracts to deliver in six schools during 23/24, part funded by a £10,000 grant from the Wandsworth Social Prescribing Fund. An increase in direct referrals to the Saturday Clinic resulted in the appointment of a second music therapist to meet demand. We also supported a second year Master's student work placement.

CHARITABLE FUNDRAISING, SCHOLARSHIP & BURSARY SCHEME

Wandsworth Music is incredibly grateful for the many donations and grants that we receive to support our work. This helps to ensure that children and young people facing barriers to participation have the opportunity to continue accessing high quality music tuition. Approximately £17,500 was raised via donations, fundraising and gift aid.

Financial assistance & Bursaries

Wandsworth Music is committed to giving every young person access to a music education and to supporting eligible young people to develop their musical talent where possible.

Wandsworth Music provides a fee remission of up to 50% off Wandsworth Music Academy fees to those children who are eligible for free school meals. In addition discretionary bursary awards are available to children who may not meet the criteria for Free School Meals but who have a specific and demonstrable financial need that presents a barrier to participation. In total, approximately £60,000 of financial support was provided in 2023.

Scholarship Scheme

We are grateful to the London Music Fund (LMF) and Thomas's Foundation for providing financial support for scholars to attend the Music Academy. Scholars receive up to four years free tuition at the Wandsworth Music Academy. (The scholarship includes instrumental tuition, ensemble membership and free hire of an instrument).

A total of 30 pupils were supported with scholarships during 23/24.

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FINANCIAL REVIEW

Financial position

The financial position of the charity at the year-end is set out on page 16.

The year saw significant growth and total turnover increased by approximately 14% from £1,548,000 to £1,762,171. This was predominately achieved through an increase in school and parent income, which now accounts for c.72% of turnover. Approximately 5% of turnover comes from charitable donations, gift aid, foundations and trusts.

Core Music Hub grant funding fell again from £287,904 to £282,975 and the grant now accounts for approximately 16% of turnover.

Excluding any movements in the year on accounting for the LGPS pension liability the charity realised an operational surplus of £129,575 for the year. This compares with a surplus of £17,809 for 2022/23 financial year. Although the operating surplus/deficit is regarded as a meaningful financial performance measure, in order to comply with accounting standards, any asset or liability relating to the Local Government (defined benefit) Pension Scheme for administrative staff is also reported in the financial statements.

Ongoing financial resilience is ensured through robust SLA's and payment policies, which have been revised and updated to include online tuition and cancellations clauses. Service users are required to pay in advance of receiving tuition which helps to minimise the risk of bad debt and short-term fluctuations in income.

Financial sustainability is ensured in the following ways:

- Ensuring a high-quality and diverse musical offer
- The careful monitoring of income and expenditure
- Ensuring appropriate reserves to mitigate against unexpected costs (e.g. long term illness, rises in employer costs, etc)
- Periodic reviews of fees and charges
- Prudent charging policies and appropriate terms and conditions
- Diversified sources of income through offering new programmes such as music therapy.
- Improved communications which will increase reach and participation

Reserves policy

Wandsworth Music maintains free unrestricted reserves:

- to provide a level of working capital that protects the continuity of our work
- to provide a level of funding for unexpected opportunities
- to provide cover for risks such as unforeseen expenditure or unanticipated loss of income.

The trustees have decided that it is prudent to carry a reserve of three months of salary, premises costs and contractual obligations (plus 10% contingency). This equates to approximately £400,000.

Total reserves as at 31 March 2024 were £764,297 (2022/23: £501,722) of which £538,845 (2022/23: £408,719) represented unrestricted funds, £218,000 represented the LGPS pension reserve and £7,452 restricted funds. Of the unrestricted reserves £100,000 represents designated funds (£75,000 for special events and £25k for scholarships and bursaries – see note 13). Free reserves as at 31 March 2023 (unrestricted reserves less designated funds and functional fixed assets) amounted to £350,829 (2022/23: £312,455).

The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised and contingency savings made. These reserves are to provide sufficient funds to cover management, administration and operational costs over the stated period. The Trustees review the policy annually and the level of reserves is assessed in light of prevailing conditions and known risks to the Charity's sources of funds.

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It should be noted that any liability arising from the Defined Benefit Pension Scheme is not a true representation. Any liability is underwritten by Wandsworth Borough Council as part of the transfer agreement and as such would not be a real liability for Wandsworth Music. When the final member of transferred staff exits the LGPS pension scheme any liability will pass back to Wandsworth Borough Council.

See note 14.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Wandsworth Music was incorporated on 29 November 2019. It is a Charitable Incorporated Organisation (CIO), registered number 1186662. The charity is controlled by its governing document and constitutes an incorporated charity.

Trustees

There are currently 8 trustees. Potential new trustees are interviewed by members of the board of trustees, with appointments then agreed at Board level. When considering the appointment of new trustees the Board has due regard to the requirement for any specialist skills needed. Upon selection new trustees are required to complete an enhanced DBS check.

The Board of Trustees meet quarterly to discuss the activities, performance and finances of the charity.

Organisational structure

The day to day running and management of the organisation is delegated to the Chief Executive (CEO), Dan White. The CEO takes decisions on a day-to-day basis and refers to the Chair when appropriate.

Wandsworth Music is a member of Music Mark, the UK subject association for music.

Risk management

The Trustees have a risk management policy, which comprises an annual review of the risks the charity may face and establishes systems and procedures to mitigate those risks identified.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1186662

Principal address

Burntwood School
Burntwood Lane
London
SW17 0AQ

Trustees

Mr D J White
Mr J F D Jones
Mr P R Lickman (resigned 1 September 2023)
Ms L McNerney
Ms Marianne Claire Gilbert (resigned 1 October 2023)
Mr Richard Byrne-Smith
Ms M Bariletti (appointed 17 May 2023)
Ms S Coultriss (appointed 17 May 2023)
Ms J Silvester
Ms Deepa Nair-Pillai (appointed 1 September 2023)

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Auditors

Haines Watts
Chartered Accountants & Statutory Auditors
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

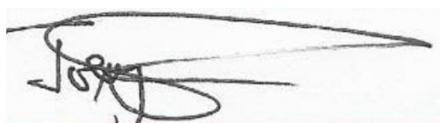
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on 11 November 2024 and signed on its behalf by:



.....
Mr J F D Jones - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF WANDSWORTH MUSIC

Opinion

We have audited the financial statements of Wandsworth Music (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF WANDSWORTH MUSIC

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

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

We obtained an understanding of the legal and regulatory framework applicable to both the Charity itself and the environment in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities Act 2013, Charity SORP FRS 102, UK GAAP (FRS102) and relevant tax legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- * making enquires of trustees and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- * obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- * assessing the design effectiveness of the controls in place to prevent and detect fraud;
- * assessing the risk of management override including identifying and testing journal entries;
- * challenging the assumptions and judgements made by management in its significant accounting estimates.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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WANDSWORTH MUSIC**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Haines Watts

Haines Watts
Chartered Accountants & Statutory Auditors
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Date: 20 November 2024

WANDSWORTH MUSIC

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

| | | Unrestricted funds £ | Restricted funds £ | 2024 Total funds £ | 2023 Total funds £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| | Notes | | | | |
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 13,346 | 359,152 | 372,498 | 396,001 |
| Charitable activities | 3 | | | | |
| Music education | | <u>1,389,673</u> | <u>-</u> | <u>1,389,673</u> | <u>1,152,650</u> |
| Total | | <u>1,403,019</u> | <u>359,152</u> | <u>1,762,171</u> | <u>1,548,651</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | 4 | | | | |
| Music education | | 1,198,926 | 359,703 | 1,558,629 | 1,470,100 |
| LGPS | | (21,000) | | (21,000) | 72,000 |
| Other | | <u>73,967</u> | <u>-</u> | <u>73,967</u> | <u>60,742</u> |
| Total | | <u>1,251,893</u> | <u>359,703</u> | <u>1,611,596</u> | <u>1,602,842</u> |
| NET INCOME/(EXPENDITURE) | | 151,126 | (551) | 150,575 | (54,191) |
| Other recognised gains/(losses) | | | | | |
| Actuarial gains on defined benefit schemes | | <u>112,000</u> | <u>-</u> | <u>112,000</u> | <u>760,000</u> |
| Net movement in funds | | 263,126 | (551) | 262,575 | 705,809 |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>493,719</u> | <u>8,003</u> | <u>501,722</u> | <u>(204,087)</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>756,845</u></u> | <u><u>7,452</u></u> | <u><u>764,297</u></u> | <u><u>501,722</u></u> |

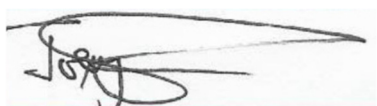
The notes form part of these financial statements

WANDSWORTH MUSIC

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2024**

| | | Unrestricted funds £ | Restricted funds £ | 2024 Total funds £ | 2023 Total funds £ |
|--|-------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| | Notes | | | | |
| FIXED ASSETS | | | | | |
| Tangible assets | 9 | 88,016 | - | 88,016 | 96,264 |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 117,445 | - | 117,445 | 112,311 |
| Cash at bank | | <u>613,168</u> | <u>7,452</u> | <u>620,620</u> | <u>421,088</u> |
| | | 730,613 | 7,452 | 738,065 | 533,399 |
| CREDITORS | | | | | |
| Amounts falling due within one year | 11 | (279,784) | - | (279,784) | (212,941) |
| NET CURRENT ASSETS | | <u>450,829</u> | <u>7,452</u> | <u>458,281</u> | <u>320,458</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 538,845 | 7,452 | 546,297 | 416,722 |
| PROVISIONS FOR LIABILITIES | 12 | <u>218,000</u> | - | <u>218,000</u> | <u>85,000</u> |
| NET ASSETS | | <u><u>756,845</u></u> | <u><u>7,452</u></u> | <u><u>764,297</u></u> | <u><u>501,722</u></u> |
| FUNDS | 13 | | | | |
| Unrestricted funds | | | | 538,845 | 408,719 |
| Pension reserve | | | | 218,000 | 85,000 |
| Restricted funds | | | | <u>7,452</u> | <u>8,003</u> |
| TOTAL FUNDS | | | | <u><u>764,297</u></u> | <u><u>501,722</u></u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 11 November 2024 and were signed on its behalf by:



Mr J F D Jones - Trustee

The notes form part of these financial statements

WANDSWORTH MUSIC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

| | Notes | 2024 £ | 2023 £ |
|---|-------|-----------------------------|-----------------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | <u>204,320</u> | <u>(585)</u> |
| Net cash provided by/(used in) operating activities | | <u>204,320</u> | <u>(585)</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | <u>(4,788)</u> | <u>-</u> |
| Net cash (used in)/provided by investing activities | | <u>(4,788)</u> | <u>-</u> |
| | | <u> </u> | <u> </u> |
| Change in cash and cash equivalents in the reporting period | | 199,532 | (585) |
| Cash and cash equivalents at the beginning of the reporting period | | <u>421,088</u> | <u>421,673</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>620,620</u></u> | <u><u>421,088</u></u> |

The notes form part of these financial statements

WANDSWORTH MUSIC

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2024 £ | 2023 £ |
|---|-----------------------|---------------------|
| Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities) | 150,575 | (54,191) |
| Adjustments for: | | |
| Depreciation charges | 11,461 | 11,512 |
| Loss on disposal of fixed assets | 1,575 | - |
| Increase in debtors | (5,134) | (77,325) |
| Increase in creditors | 66,843 | 47,419 |
| Difference between pension charge and cash contributions | <u>(21,000)</u> | <u>72,000</u> |
| Net cash provided by/(used in) operations | <u><u>204,320</u></u> | <u><u>(585)</u></u> |

2. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1/4/23 £ | Cash flow £ | At 31/3/24 £ |
|-----------------|-----------------------|-----------------------|-----------------------|
| Net cash | | | |
| Cash at bank | <u>421,088</u> | <u>199,532</u> | <u>620,620</u> |
| | <u>421,088</u> | <u>199,532</u> | <u>620,620</u> |
| Total | <u><u>421,088</u></u> | <u><u>199,532</u></u> | <u><u>620,620</u></u> |

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

Going concern

There are no material uncertainties about the charity's ability to continue.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|---------------------|------------------------------|
| Instruments: | 10 or 15 years straight line |
| Computer equipment: | 25% straight line |

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff, and the closed Local Government Pension Scheme (LGPS) for non-teaching staff. For further information see note 14.

WANDSWORTH MUSIC

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Cash

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.

Debtors and Creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2. DONATIONS AND LEGACIES

| | 2024 | 2023 |
|-----------|----------------|----------------|
| | £ | £ |
| Donations | 17,345 | 34,071 |
| Grants | <u>355,153</u> | <u>361,930</u> |
| | <u>372,498</u> | <u>396,001</u> |

Of the income from donations and legacies above for 2023 £26,071 was attributable to unrestricted funds and £369,930 to restricted funds.

Grants received, included in the above, are as follows:

| | 2024 | 2023 |
|--|----------------|----------------|
| | £ | £ |
| Arts Council England - Core ACE grant | 282,975 | 287,904 |
| Arts Council England - DfE TPS pension grant | 45,722 | 45,721 |
| London Music Fund | 12,388 | 13,850 |
| Thomas Foundation | <u>14,068</u> | <u>14,455</u> |
| | <u>355,153</u> | <u>361,930</u> |

3. INCOME FROM CHARITABLE ACTIVITIES

| | 2024 | 2023 |
|-----------------|------------------|------------------|
| | £ | £ |
| Music education | <u>1,389,673</u> | <u>1,152,650</u> |

4. CHARITABLE ACTIVITIES COSTS

| | Direct Costs | Support costs (see note 5) | Totals |
|-----------------|------------------|----------------------------|------------------|
| | £ | £ | £ |
| Music education | <u>1,537,629</u> | <u>73,967</u> | <u>1,611,596</u> |

(Direct costs include £1,334,944 (2023 £1,257,656) staff related costs and £276,652 (2023 £212,444) other music delivery costs such as concert, rent and exam costs).

Local Government Pension Scheme – amount recognised other than remeasurement under UK GAAP (see note 14)

| | |
|------------------|----------------|
| <u>(£21,000)</u> | <u>£72,000</u> |
|------------------|----------------|

WANDSWORTH MUSIC

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

5. SUPPORT COSTS

| | Management | Finance | Information technology | Governance costs | Totals |
|------|---------------|---------------|---------------------------|---------------------|---------------|
| | £ | £ | £ | £ | £ |
| 2024 | <u>28,228</u> | <u>26,851</u> | <u>9,921</u> | <u>8,967</u> | <u>73,967</u> |
| 2023 | <u>25,414</u> | <u>16,440</u> | <u>12,015</u> | <u>6,928</u> | <u>60,742</u> |

Support costs, included in the above, are as follows:

| | 2024 Music education £ | 2023 Total activities £ |
|-----------------------------|---------------------------------|----------------------------------|
| Other operating leases | 17,000 | 17,000 |
| Insurance | 6,132 | 3,695 |
| Telephone | 979 | 1,161 |
| Postage and stationery | 4,062 | 3,558 |
| Sundries | 17,439 | 16,328 |
| Bank charges | 3,212 | 112 |
| IT and software consumables | 12,015 | 9,921 |
| Auditors' remuneration | 6,200 | 5,900 |
| Sundries | <u>6,928</u> | <u>3,067</u> |
| | <u>73,967</u> | <u>60,742</u> |

6. TRUSTEES' REMUNERATION AND BENEFITS

Staff may serve as Trustees and they may receive their remuneration in their capacity as employees of the charity, but no remuneration is paid for acting as a Trustee. The CEO received remuneration in his capacity as an employee of the charity as set out in note 15. The other Trustees did not receive any fees or remuneration for the performance of their role as Trustees.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

7. STAFF COSTS

| | 2024 £ | 2023 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,009,965 | 967,313 |
| Social security costs | 81,043 | 64,037 |
| Other pension costs | <u>222,936</u> | <u>298,306</u> |
| | <u>1,313,944</u> | <u>1,329,656</u> |

One employee earned between £60,000 - £69,000. (2023 same).

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £258,584 (22/23: £285,507).

WANDSWORTH MUSIC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

7. STAFF COSTS - continued

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

| | <u>2024</u> | <u>2023</u> |
|-------|-------------|-------------|
| Total | 85 | 76 |

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|--|----------------------------|--------------------------|-----------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 26,071 | 369,930 | 396,001 |
| Charitable activities | | | |
| Music education | <u>1,152,650</u> | <u>-</u> | <u>1,152,650</u> |
| Total | <u>1,178,721</u> | <u>369,930</u> | <u>1,548,651</u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Music education | 1,168,581 | 373,519 | 1,542,100 |
| Other | <u>60,742</u> | <u>-</u> | <u>60,742</u> |
| Total | <u>1,229,323</u> | <u>373,519</u> | <u>1,602,842</u> |
| NET INCOME/(EXPENDITURE) | (50,602) | (3,589) | (54,191) |
| Other recognised gains/(losses) | | | |
| Actuarial gains on defined benefit schemes | <u>760,000</u> | <u>-</u> | <u>760,000</u> |
| Net movement in funds | 709,398 | (3,589) | 705,809 |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | <u>(215,679)</u> | <u>11,592</u> | <u>(204,087)</u> |
| TOTAL FUNDS CARRIED FORWARD | <u><u>493,719</u></u> | <u><u>8,003</u></u> | <u><u>501,722</u></u> |

WANDSWORTH MUSIC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

9. TANGIBLE FIXED ASSETS

| | Plant and machinery £ | Computer equipment £ | Totals £ |
|------------------------|-----------------------------|----------------------------|----------------|
| COST | | | |
| At 1 April 2023 | 130,700 | - | 130,700 |
| Additions | 1,750 | 3,038 | 4,788 |
| Disposals | <u>(2,250)</u> | <u>-</u> | <u>(2,250)</u> |
| At 31 March 2024 | <u>130,200</u> | <u>3,038</u> | <u>133,238</u> |
| DEPRECIATION | | | |
| At 1 April 2023 | 34,436 | - | 34,436 |
| Charge for year | 11,461 | - | 11,461 |
| Eliminated on disposal | <u>(675)</u> | <u>-</u> | <u>(675)</u> |
| At 31 March 2024 | <u>45,222</u> | <u>-</u> | <u>45,222</u> |
| NET BOOK VALUE | | | |
| At 31 March 2024 | <u>84,978</u> | <u>3,038</u> | <u>88,016</u> |
| At 31 March 2023 | <u>96,264</u> | <u>-</u> | <u>96,264</u> |

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2024 £ | 2023 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 50,842 | 29,490 |
| Prepayments and accrued income | <u>66,603</u> | <u>82,821</u> |
| | <u>117,445</u> | <u>112,311</u> |

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2024 £ | 2023 £ |
|------------------------------|----------------|----------------|
| Trade creditors | 9,151 | 8,037 |
| Taxation and social security | 27,437 | 29,989 |
| Other creditors | <u>243,196</u> | <u>174,915</u> |
| | <u>279,784</u> | <u>212,941</u> |

Included in other creditors above is £38,977 of deferred income relating to events taking place in the year to 31 March 2025 (2023 £36,697).

WANDSWORTH MUSIC

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

12. PROVISIONS FOR LIABILITIES

| | 2024 £ | 2023 £ |
|---|------------------|-----------------|
| Defined benefit Pension (Asset)/Liability (see note 14) | <u>(218,000)</u> | <u>(85,000)</u> |

13. MOVEMENT IN FUNDS

| | At 1/4/23 £ | Net movement in funds £ | Transfers between funds £ | At 31/3/24 £ |
|---------------------------|----------------|----------------------------------|------------------------------------|--------------------|
| Unrestricted funds | | | | |
| General fund | 408,719 | 130,126 | (100,000) | 438,845 |
| Pension liability | 85,000 | 133,000 | - | 218,000 |
| Special Events | - | - | 75,000 | 75,000 |
| Scholarships & Bursaries | - | - | 25,000 | 25,000 |
| | <u>493,719</u> | <u>263,126</u> | <u>-</u> | <u>756,845</u> |
| Restricted funds | | | | |
| Gifted Children Fund | 8,003 | (551) | - | 7,452 |
| | <u>8,003</u> | <u>(551)</u> | <u>-</u> | <u>7,452</u> |
| TOTAL FUNDS | <u>501,722</u> | <u>262,575</u> | <u>-</u> | <u>764,297</u> |

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|--|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 1,403,019 | (1,272,893) | - | 130,126 |
| Pension liability | - | 21,000 | 112,000 | 133,000 |
| | <u>1,403,019</u> | <u>(1,251,893)</u> | <u>112,000</u> | <u>263,126</u> |
| Restricted funds | | | | |
| Arts Council Music Education Hub Grant | 282,975 | (282,975) | - | - |
| Arts Council England – DfE TPS pension grant | 45,722 | (45,722) | - | - |
| London Music Fund | 12,388 | (12,388) | - | - |
| Thomas's Foundation | 14,067 | (14,067) | - | - |
| Gifted Children Fund | 4,000 | (4,551) | - | (551) |
| | <u>359,152</u> | <u>(359,703)</u> | <u>-</u> | <u>(551)</u> |
| TOTAL FUNDS | <u>1,762,171</u> | <u>(1,611,596)</u> | <u>112,000</u> | <u>262,575</u> |

WANDSWORTH MUSIC

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1/4/22 £ | Net movement in funds £ | At 31/3/23 £ |
|--------------------------------|-------------------------|----------------------------------|-----------------------|
| Unrestricted funds | | | |
| General fund | 387,321 | 21,398 | 408,719 |
| Pension liability | <u>(603,000)</u> | <u>688,000</u> | <u>85,000</u> |
| | (215,679) | 709,398 | 493,719 |
| Restricted funds | | | |
| Gifted Children Fund | 5,658 | 2,345 | 8,003 |
| London Music Fund - Roehampton | <u>5,934</u> | <u>(5,934)</u> | <u>-</u> |
| | <u>11,592</u> | <u>(3,589)</u> | <u>8,003</u> |
| TOTAL FUNDS | <u><u>(204,087)</u></u> | <u><u>705,809</u></u> | <u><u>501,722</u></u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|--|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 1,178,721 | (1,157,323) | - | 21,398 |
| Pension liability | <u>-</u> | <u>(72,000)</u> | <u>760,000</u> | <u>688,000</u> |
| | 1,178,721 | (1,229,323) | 760,000 | 709,398 |
| Restricted funds | | | | |
| Arts Council Music Education Hub Grant | 287,904 | (287,904) | - | - |
| Arts Council England – DfE TPS pension grant | 45,721 | (45,721) | - | - |
| London Music Fund | 7,974 | (7,974) | - | - |
| Thomas's Foundation | 14,455 | (14,455) | - | - |
| Gifted Children Fund | 4,000 | (1,655) | - | 2,345 |
| London Music Fund - Roehampton | 5,876 | (11,810) | - | (5,934) |
| Nugee Foundation | <u>4,000</u> | <u>(4,000)</u> | <u>-</u> | <u>-</u> |
| | <u>369,930</u> | <u>(373,519)</u> | <u>-</u> | <u>(3,589)</u> |
| TOTAL FUNDS | <u><u>1,548,651</u></u> | <u><u>(1,602,842)</u></u> | <u><u>760,000</u></u> | <u><u>705,809</u></u> |

WANDSWORTH MUSIC

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

13. MOVEMENT IN FUNDS - continued

Restricted funds

Arts Council England: Music Education Hub Grant to support delivery of the National Plan for Music core and extension roles.

DfE Teachers Pension Rebate Grant: Grant from the DfE to cover increase in Teachers Pension Employer contributions

London Music Fund: London Music Fund is a funding body with the Mayor of London as its Patron. Income is from individual philanthropy, corporate support and trusts and foundations. Its vision is that children who demonstrate significant musical ability, enthusiasm and commitment to learning an instrument are given the opportunity to develop their potential. Funding is used to enhance musical opportunities and experiences for children facing barriers to participation. Scholars receive a period of 4 years funding.

London Music Fund Partnership Fund: Partnership Funding for the Grow Roehampton Street Band Project.

Thomas's Foundation: Funding received from Thomas's Foundation funds expenses in relation to scholarships for children facing financial difficulties to attend the Wandsworth Music Academy.

Gifted Children Fund: Donations received fund expenses in connection with musically gifted children facing financial difficulty.

Nugee Foundation: To support music making in Special schools in partnership with the Royal Philharmonic Orchestra, culminating in the performance at the Royal Albert hall.

Designated funds

Special Events: A designated fund for special events, for example the Royal Albert Hall Concert and the annual foreign tour.

Scholarships & Bursaries: A designated fund for one-off scholarships and bursaries to support children facing barriers to accessing music education at the Wandsworth Music Academy.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

14. EMPLOYEE BENEFIT OBLIGATIONS

The charity's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for teaching staff, and the closed Local Government Pension Scheme (LGPS) for non-teaching staff. A third pension scheme is also in operation, the Government Nest scheme for non-teaching staff.

The latest actuarial valuation of the TPS was 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £66,331 were payable to the schemes at 31 March 2024 (2023 £26,037) and are included within other creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS every four years in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS every four years in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

NOTES TO THE FINANCIAL STATEMENTS - continued

14. EMPLOYEE BENEFIT OBLIGATIONS - continued

The pension costs paid to TPS in the period amounted to £165,594 (2023 £145,065).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 March 2024 was £56,699 (2023 £63,904), of which employer's contributions totalled £42,779 (2023 £48,099) and employee's contributions totalling £13,920 (2023 £15,805). The agreed contribution rates for future years are 21.4% for employers and 5.5% to 9.9% (depending on salary and section) for employees.

Under the transfer agreement dated 1 May 2020 the Council gave various indemnities in regards the LGPS as follows: -

Council guarantee

To ensure that the Administering Authority does not require the Wandsworth Music to provide an indemnity or bond in respect of the Eligible Employees, the Council will provide the Administering Authority with an indemnity or guarantee in a form acceptable to the Administering Authority in respect of the Charity's obligations to the Administering Authority for the duration of the Charity's admission of the Fund and will take any other steps required by the Administering Authority to ensure that an indemnity or bond is not required for the duration of the Charity's participation in the Fund.

Protection from redundancy pension strain costs

The Council shall indemnify the Charity in full from and against any early retirement strain costs, expenses or additional contributions arising from any pension payable as a result of the dismissal of any of the Eligible Employees on grounds of redundancy or efficiency of the service provided always that the Charity has used its best endeavours to mitigate and minimise such additional costs, expenses or contributions.

The Charity shall carry out any restructuring resulting in the dismissal of any of the Eligible Employees on grounds of redundancy or efficiency of the service in good faith and shall in advance obtain the Council's approval in relation to any proposal to dismiss any Eligible Employee on these grounds, such approval not to be unreasonably withheld or delayed.

NOTES TO THE FINANCIAL STATEMENTS - continued

14. EMPLOYEE BENEFIT OBLIGATIONS - continued

Protection from ill-health pension strain costs

The Council shall indemnify the Charity in full from and against all early retirement strain costs, expenses or additional contributions arising from the retirement of any of the Eligible Employees on grounds of ill-health or infirmity of mind or body provided always that the Charity has used its best endeavours to mitigate and minimise such additional costs, expenses or contributions.

For the avoidance of any doubt, where any Eligible Employee applies for retirement on grounds of ill-health or infirmity of mind or body, the Charity shall obtain the agreement of the Council to the appointment of any independent registered medical practitioner appointed to provide the relevant certificate.

Exit from the Fund

On termination of the Admission Agreement or on the Charity no longer having any Eligible Employees actively contributing to the Fund, the Council shall indemnify the Charity for any costs, expenses or liabilities to the Fund in respect of the Eligible Employees (including for the avoidance of doubt any deferred or pensioner members of the Fund) arising on termination of the Admission Agreement or on the Charity no longer having any Eligible Employees actively contributing to the Fund. If the Charity is paid an exit credit by the Fund on termination of the Admission Agreement or on the Charity no longer having any Eligible Employees actively contributing to the Fund, the Charity shall pay any such exit credit to the Council.

| | <u>2024</u> £000 | <u>2023</u> £000 |
|---|---------------------|---------------------|
| Current service cost | (16) | 58 |
| Plan introductions, changes, curtailments and settlements | | - |
| Net interest income / expense | (5) | 14 |
| Recognised in profit or loss | (21) | 72 |
| Recognised in other comprehensive income | (112) | (760) |
| Total recognised cost | <u>(133)</u> | <u>(688)</u> |

WANDSWORTH MUSIC

NOTES TO THE FINANCIAL STATEMENTS - continued

14. EMPLOYEE BENEFIT OBLIGATIONS - continued

Amounts recognised in the balance sheet were as follows:

| | <u>2024</u> | <u>2023</u> |
|-------------------------------------|-------------|-------------|
| | £000 | £000 |
| Present value of funded obligations | (689) | (654) |
| Fair value of plan assets | 907 | 739 |
| | <hr/> | <hr/> |
| | 218 | 85 |
| | <hr/> | <hr/> |

Changes in the present value of the defined benefit obligations were as follows:

| | <u>2024</u> | <u>2023</u> |
|---|-------------|-------------|
| | £000 | £000 |
| Opening defined benefit obligation | 654 | 1,304 |
| Current service cost | 31 | 110 |
| Past service cost | - | - |
| Interest expense | 32 | 33 |
| Actuarial (gains) / losses | 2 | 57 |
| Contributions by scheme participants | 15 | 17 |
| Estimated benefits paid net of transfers in | (6) | - |
| Change in financial assumptions | (31) | (823) |
| Change in demographic | (8) | (44) |
| Liabilities extinguished on settlements | - | - |
| | <hr/> | <hr/> |
| Closing defined benefit obligation | 689 | 654 |
| | <hr/> | <hr/> |

Changes in the fair value of the pension plan assets were as follows:

| | <u>2024</u> | <u>2023</u> |
|--|-------------|-------------|
| | £000 | £000 |
| Plan assets introduced | 739 | 701 |
| Interest income | 37 | 19 |
| Actual return on plan assets (excluding interest income) | 75 | (48) |
| Assets distributed on settlements | - | - |
| Other actuarial gains/losses | - | (2) |
| Contributions by employer | 47 | 52 |
| Contributions by scheme participants | 15 | 17 |
| Estimated benefits paid net of transfers in | (6) | - |
| | <hr/> | <hr/> |
| Closing plan assets | 907 | 739 |
| | <hr/> | <hr/> |

WANDSWORTH MUSIC

NOTES TO THE FINANCIAL STATEMENTS - continued

14. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets were as follows:

| | <u>2024</u> % | <u>2023</u> % |
|--------------------------|------------------|------------------|
| Equity instruments | 58 | 57 |
| Gilts | - | - |
| Debt instruments (bonds) | 15 | 16 |
| Property | 13 | 13 |
| Cash | 4 | 4 |
| Multi – asset fund | 10 | 10 |
| | <hr/> | <hr/> |
| | 100 | 100 |
| | <hr/> | <hr/> |

The principal actuarial assumptions used were as follows:

| | <u>2024</u> | <u>2023</u> |
|-------------------------------------|-------------|-------------|
| Discount rate | 4.95% | 4.8% |
| Expected rates of salary increases | 3.90% | 3.90% |
| Expected rates of pension increases | 2.90% | 2.90% |

The mortality assumptions used for longevity (in years) on retirement at age 65 are:

| | Males | Females |
|--------------------|------------|-----------|
| Current pensioners | 20.8 years | 23.3years |
| Future pensioners | 22.0 years | 24.7years |

WANDSWORTH MUSIC

NOTES TO THE FINANCIAL STATEMENTS - continued

14. EMPLOYEE BENEFIT OBLIGATIONS - continued

| Sensitivity Analysis | £000s | £000's | £000's |
|---|----------------|-------------|----------------|
| Adjustment to discount rate | +0.1% | 0.0% | -0.1% |
| Present value of total obligation | 669 | 689 | 710 |
| Projected service cost | 27 | 29 | 30 |
| Adjustment to long term salary increase | +0.1% | 0.0% | -0.1% |
| Present value of total obligation | 691 | 689 | 687 |
| Projected service cost | 29 | 29 | 29 |
| Adjustment to pension increase and deferred revaluations | +0.1% | 0.0% | -0.1% |
| Present value of total obligation | 709 | 689 | 670 |
| Projected service cost | 30 | 29 | 28 |
| Adjustments to life expectancy assumptions | +1 Year | None | -1 Year |
| Present value of total obligation | 708 | 689 | 671 |
| Projected service costs | 30 | 29 | 28 |

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 March 2024 except as explained in note 6. Mr D White (a trustee) is remunerated for his role a CEO (£79,067 including employers' national insurance and pension contributions).