

THE NATIONAL FEDERATION OF MUSIC SOCIETIES

England & Wales · Charity number 249219

Details

Other names MAKING MUSIC, NFMS

Status Registered

Legal form Charitable company

Company number [00308632](#)

Registered 1967-06-15

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: TO MAINTAIN, IMPROVE AND ADVANCE EDUCATION BY PROMOTING THE ART AND PRACTICE AND PUBLIC PERFORMANCE OF MUSIC THROUGHOUT THE UNITED KINGDOM AND OTHER COUNTRIES.

Activities: To represent and support voluntary and amateur music groups throughout the UK.

Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,021,125	£826,903	£1,053,350	18
2023-12-31	£928,990	£841,299	£851,546	17
2022-12-31	£702,779	£770,619	£753,537	16
2021-12-31	£721,305	£761,166	£825,071	16
2020-12-31	£759,403	£766,513	£848,008	16

Trustees

Name	Role	Appointed
Margaret Ruth Harrison	Chair	2024-06-26
Alison Mary Holdom		2025-07-02
Andrew Hamilton Devine		2023-07-12
Catherine Elizabeth Travers		2023-07-12
DAVID CHARLES HICKMAN		2025-08-13
JAYNE LOXLEY BARR		2024-06-26
Katherine Donaldson Lethbridge		2025-07-02
Nicholas Lewis LLOYD JAMES		2022-09-07
Philip O'Rawe		2024-07-08
Raymond Walkinshaw		2025-08-13
Sumit Kumar Biswas		2025-07-02

Accounts



NATIONAL FEDERATION OF MUSIC SOCIETIES

Trading as Making Music

Annual Report and Financial Statements

For the year ended 31 December 2024

Company Number 308632

Registered Charity in England and Wales Number 249219

Registered Charity in Scotland Number SC038849

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Barnes Concert Band



Kalinka Balalaika Orchestra

Reference and administrative details

Name of Charity	National Federation of Music Societies trading as Making Music	
Company Number	308632	
Charity Number	249219 (England) SC038849 (Scotland)	
Principal Office & Registered Office	4 London Wall Place London EC2Y 5AU	8 Holyrood Street London SE1 2EL (<i>until 7 April 2025</i>)
Directors and Trustees	Rhiannon Harrison Dorothy Wilson MBE FRSA Andrew Devine Peter Burchill Jayne Barr Robert Guest Margaret Harrison Edward-Rhys Harry Nick James Paul McKinley Kathy McLeish William Prideaux Philip O'Rawe Andrew Rixon Valerie Taylor Catherine Travers Neil Weir	<i>Chair</i> <i>Vice Chair</i> <i>Treasurer (from 28 August 2024)</i> <i>(former Treasurer, retired 26 June 2024)</i> <i>(appointed 26 June 2024)</i> <i>(appointed 26 June 2024)</i> <i>(retired 12 March 2025)</i> <i>(retired 26 June 2024)</i> <i>(retired 28 December 2024)</i> <i>(appointed 26 June 2024)</i> <i>(appointed 8 July 2024)</i> <i>(retired 26 June 2024)</i>
Key Management	Barbara Eifler Alison Reeves Ben Saffell Helen Evans	<i>Chief Executive</i> <i>Deputy Chief Executive - Advocacy & Lobbying</i> <i>Deputy Chief Executive - Membership & Development</i> <i>Finance Director</i>
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ	Flagstone Group Ltd Clareville House 26-27 Oxendon Street London SW1Y 4EL
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE	
Independent Auditor	James Mathieson FCA Lindeyer Francis Ferguson Limited Chartered Accountants North House, 198 High Street Tonbridge Kent TN9 1BE	

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited group and parent charity financial statements for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, current statutory requirements and 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) - (Charities SORP).



Love Music Community Choir



North Downs Community Orchestra

Making Music - who we are

Making Music is a charity and the UK association for leisure-time music, with around 4,000 music groups in membership, comprising around 240,000 hobby musicians.

We support members with practical services and artistic development opportunities, connect them with each other, the wider sector and relevant other organisations, and celebrate and advocate for the leisure-time music sector and its benefits - physical, social, psychological, educational, economic - to individuals, communities and policy makers. We seek to ensure that conditions are right for leisure-time music groups to flourish, for the benefit of society.



Cradley Singers



Teddington Choral Society

Summary of the year

- ✓ Our Arts Council England funded INCLUDE project continued to deliver more insights and learning than we had anticipated. The legacy, from 2025, will not be another-report-to-file, but a practical toolkit to help other music groups go on the journey of including a wider range of participants from their communities in their activity.
- ✓ With the funding support from Esmée Fairbairn Foundation, we were able to expand our work in lobbying and advocating for leisure-time music, responding to a record number of consultations, and empowering groups to do so, too.
- ✓ It also allowed us to build our pro-active campaigns #MakeSpaceForMusic and Tax Relief for Choirs.
- ✓ We supported ever more members to claim creative tax reliefs, currently with a 100% success rate (no claim disallowed), and now have the data to prove the transformative power of Orchestra and Theatre Tax Reliefs on groups, in terms of ambition and spend.
- ✓ The year has seen a continued focus on the new website project (due to launch August 2025). Its completion will allow us to support members better, reach potential members more effectively and free up team time for crucial one to one support.
- ✓ Members have recovered from Covid financially, with their income brackets back to pre-Covid levels (and rising further in the 2025 renewals).
- ✓ The membership team continue to review services and streamline processes, in order to be able to focus as much time as possible on the highly appreciated one to one support for the more complicated challenges our members face. In 2024, changes included:
 - discontinuing our DBS service (negotiating a deal with another supplier)
 - expanding further the capacity for supporting members to set up a MM Platform (template online admin tool and website)
 - partnering with Easyfundraising to help members fundraise.
- ✓ After a prolonged gap, we welcomed a new Marketing Manager, meaning a renewed focus on understanding and attracting new members to the Making Music family.
- ✓ Over the course of the year, we have been working towards moving office in 2025.

Objectives and activities

What does Making Music do?

- **Support members:** practical services, tools and guidance, and artistic development opportunities; facilitating and building connections between members and between members and relevant experts and stakeholders; empowering everyone and anyone to set up and run a resilient and sustainable leisure-time music group, and supporting groups to keep growing, find inspiration and aspire to excellence; celebrating and highlighting our members' achievements; and standing up for their needs with policy makers and other stakeholders.
- **Support leisure-time music:** standing up for and celebrating the leisure-time music sector (of which our members are part) to policy makers so that policy can take into account the individual and community benefits of participating in music as a hobby; and to the general public so that more new people are able to draw down such benefits and may be encouraged to join one of our member groups.

Our 5 year plan was published in January 2023 and runs until December 2027.

Our belief

We believe in the value of leisure-time music groups (to individuals, communities and society).

Our vision

Everyone has the opportunity to be part of a music group.

Our mission

To support, connect, champion and celebrate groups of people making and presenting music in their communities.

Our values

We are respectful of everyone we connect with
We listen, we care, we are always learning
We are transparent and value the trust we earn
We share and collaborate generously
We do what we say we're going to do
We are facilitators, we empower

Our four aims

- A. Music groups make the most of Making Music as their home and ally
- B. Music groups are more sustainable
- C. Music groups are connected
- D. Leisure-time music is recognised and valued

How do our activities benefit the public?

Our main activities and who we support are described below. All our charitable activities focus on our charitable objective to ‘maintain, improve and advance education by promoting the art and practice and public performance of music throughout the United Kingdom and in other countries’ and are delivered to further that charitable purpose for the public benefit. The trustees have complied with their duty to have regard to the Charity Commission’s guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

The trustees are confident that Making Music’s activities offer public benefit:

- All individuals in society have the potential to benefit from the activities of Making Music, for example its publicly available search facility on the website (‘Find a Group’), and from the activities of its members, either by joining a leisure-time music group or experiencing their performances, workshops and other events.
- Making Music’s advocacy work is of benefit to all, whether or not they are involved in music already, by seeking to maintain or establish an environment in which live music-making by and for everyone can flourish and be available to participants and audiences in communities across the UK.
- There are no restrictions on membership of Making Music, any leisure-time music group can become an Associate Member, although Full Membership is restricted to not-for-profit constituted groups.
- Financial assistance with joining Making Music is considered in cases of individual hardship. Since 2015 Making Music has had a specially reduced rate (50% discount) for new groups just setting up and for youth groups (25%) where all participants are 21 or under.

“*Staff at Making Music are always friendly, helpful and responsive. They explain things very well and put me at ease whenever I telephone, coupled with always being efficient and professional*”

- Making Music member

How does society benefit?

Leisure-time music groups made up of hobby musicians create many benefits for the individuals taking part in their musical activity; for the individuals experiencing the resulting performances; and for the communities in which they are active.

- **For individuals**, there is now a large and growing body of research which provides clear evidence of the social, educational, psychological, and biological (physical health and well-being) benefits of group music activity.
- **For society**, there is a developing evidence base to show that connectedness across socio-economic and cultural divides within communities through group activity brings many benefits to a local area, including making it a more desirable place to live and work, contributing to place-making and regeneration.
 - Leisure-time music groups also raise millions of pounds annually for local charities and community resources

- For their audiences, the events our members present may be the only locally available and accessible live music, so for them, too, there are social, educational and well-being benefits
- These locally created and promoted events also play a significant part in generating pride of place and raising the ambitions of a community
- **For the economy**, these groups collectively have a significant financial impact. Whilst small individually (69% had a turnover of below £14.5k a year), they are estimated to be around 13,500 in number across the UK, comprising around 800,000 participants. 98% of them engage a conductor/musical director and contract professional musicians in some capacity (including soloists, accompanists, etc.) with fees an estimated £123m a year; commissioning 1100 new pieces of music and 600 arrangements annually; spending significantly with suppliers such as music publishers and other sheet music providers (£5.7m a year), retailers (instruments, accessories), on promotion, etc.

All these benefits are created by very small groups led and run by volunteers. Making Music's support enables them to continue providing these benefits to individuals and society and facilitates more and different people benefitting by joining or setting up such music groups.

Thanks

The Board would like to thank the staff throughout the UK who continue to put in huge efforts on behalf of members. We are fortunate that every member of staff is deeply committed to the cause of live music-making in communities. In 2024, they continued tirelessly to support members and respond to their needs.

Our thanks also go to the funders who supported activity during 2024. These are: Esmée Fairbairn Foundation, Arts Council England (ACE), Creative Scotland, PRS Foundation and the Philip & Dorothy Green Music Trust.

Making Music also owes its volunteers a large debt of thanks and would like to take this opportunity to thank them and pay tribute to their dedication and enthusiasm:

1 President, 14 Board members, 2 Music Bank volunteers.

We also have a 'bank' of 71 Listeners standing by to help benchmark professional performers and small ensembles when our Recommended Artists Guide goes online with the new website in 2025 - thank you to them for their patience during this temporary suspension due to website development.

Thank you also to the members who generously volunteer their expertise or practical help on various occasions when we put a call out.

“

Making Music are great! Everyone I have met from Making Music has been very knowledgeable and helpful. Their online resources are incredibly useful. (Tongue & Groove choir)

- Making Music member

”



Peterborough Community Orchestra



Uckfield Concert Brass

Achievements and performance

Our current 5 year plan can be found here: <https://www.makingmusic.org.uk/about-us/annual-report-and-accounts>

1. Supporting members

A. Music groups make the most of Making Music as their home and ally

This aim is about ensuring that music groups are aware of the full range of support available to them through their membership of Making Music and that they know how to access that offer. In 2024, Making Music continued to focus on the first part of that aim; the foundations for the second part were being laid by the work on the new website and digital delivery portal which will make it easier for members to access the support relevant to them. This will launch in 2025.

• WHAT WE DID:

- **Event:** Making the most of your membership, 67 (82) attendees
- NEW monthly email newsletter for members only, **MemberNotes**, highlighting resources available to members - two in 2024: November, December, mailing list of 8,328
- Articles/listings for membership services and resources in print magazine **Highnotes**, published three times a year and sent to members
- Monthly email newsletter **iNotes** and separate Wales, Scotland, Northern Ireland updates highlighted resources and events
- Fortnightly broadcast emails about Making Music's events for members
- Sharing of relevant resources and other support available during each of Making Music's online events in the year

• RESULTS IN NUMBERS:

- **Total views of resources in 2024:** 319,359 (2023: 189,932)
 - Number of **users linked to a group as a member:** 16,136 = 4.1 average per group (2023: 14,485 = 4 average)
 - Number who were new website users: 1,983 (12.3% of total) (2023: 1,844, 12.7%)
 - Number of individuals logging in: 6,970 (43.2% of total) (2023: 6,271, 43.3%)
 - Number of groups represented by those logging in: 3,478 (89.32% of total) (2023: 3,439, 96.1%)

- Over 2,695 phone calls with 1,122 groups (2023: over 2,216 calls with 972 groups)
- Member interactions registered on Customer Relations Management system: 8,580 with 1,744 groups (2023: 7,986, with 1,968 groups)
- We buddied up member groups to share their learning on specific services: in 2024, we made 18 (2023: 67) connections between 36 (2023: 134) groups - 13 (2023: 58) regarding of Making Music Platform, 5 (2023: 9) regarding Orchestra Tax Relief

B. Music groups are more sustainable

This aim has four objectives sitting underneath it.

- 1) Financially resilient
- 2) With robust governance
- 3) Open to change; embracing new opportunities
- 4) Skilled: prepared for a digital future

1) Financially resilient

This objective is about helping music groups maximise their income, minimise their costs and having the right tools and support at their disposal to manage their finances, as well as supporting the individuals who manage group finances as volunteers (the Treasurers).

- WHAT WE DID:
 - Event on Gift Aid, 118 attendees
 - 2 events on Creative Tax Reliefs, 99 attendees
 - Event 'Breaking Even - the finances of running a music group', 67 attendees
 - 2 Treasurers' Networks, 123 attendees
 - Article on Treasurers in Highnotes Autumn
 - Event 'Where do I find sheet music and at what price', 115 attendees
 - 2 updated resources (Discounts; Recommended Rates for Engaging Professionals)
 - 1 new resource (recording of sheet music event), 464 views
 - Promoted our corporate members' discounts, to help groups manage their costs, including 3 new ones resources, via monthly iNotes and blogs
 - Informed members of specifically relevant funding, via our Funding Finder tool (21 new entries, 2023: 39).
- RESULTS IN NUMBERS:
 - 77 (2023: 72) members used Orchestra Tax Relief
 - £521,000 was paid out to members under this tax relief (2023: £381,000)
 - 9 (2023: 14) members newly registered to use the service during 2024
 - 5 (2023: 2) members used Theatre Tax Relief
 - £16,500 was paid out to members under this tax relief (2023: £9,000)
 - 3 (2023: 2) members newly registered to use the service during 2024
 - 93% of members took insurance in 2024 (2023: 93%)
- Funding Finder tool, 4,328 views (2023: 4,461)
- 47 promoters supported with subsidy between 2021 and 2024
 - 18 had never previously claimed a subsidy
 - £4,711 paid out in total over 3 years
- Philip & Dorothy Green Young Artists subsidies - 2024 available funds spent.
 - 26 groups used (2023: 40)

- 6 had never previously claimed this subsidy (2023: 11)
- £9,800 paid out (2023: £4,850)

Relevant resources and events were regularly highlighted in broadcast emails, in monthly email newsletter *iNotes* and in the print magazine *Highnotes*.

2) With robust governance

This objective is about supporting music groups to choose and put in place the most appropriate legal structure, to be compliant with any relevant legislation and regulations; and to have the right (and right number) of volunteers to run and govern their group.

• WHAT WE DID:

- Event on **Performing Rights Society (PRS)** rules and royalties, 104 attendees
- Event on **Engaging and Working With the Musical Leader of your group**, 46 attendees; we also followed this up with a new resource, 1,251 views; and an article in *Highnotes*
- Promoted **MM Safe service**, in partnership with Brass Bands England, which makes administration and management of child licensing requirements easier for groups wishing to include young people regularly in their activity or perform with them for their events. Includes safeguarding training.
 - **Resource on MM Safe**, 733 views (2023: 447)

• RESULTS IN NUMBERS:

- **Charity/CIO registration**, used by 42 groups (2023: 34)
- **PRS** - resources and declarations/royalties collection service
 - Resources viewed 28,483 times (2023: 9,382)
 - £168,125 royalties collected from members (2023: £96,318)
- **Safeguarding**
 - MM Safe used by 14 members (2023: 8)
 - MM Safe and other safeguarding resources, 4,360 views (2023: 3,991)
 - 228 DBS checks carried out (2023: 304) - this service has now been discontinued; we have negotiated a (better) deal with a provider, offering discounts to members and removing admin from MM
 - 19 groups undertook specially developed online safeguarding training

Relevant resources and events were regularly highlighted in broadcast emails, in monthly email newsletter *iNotes* and in the print magazine *Highnotes*.

3) Open to change; embracing new opportunities

This objective is about supporting music groups to adapt to changing circumstances and manage change within their groups to keep flourishing.

• WHAT WE DID (supporting groups to be more inclusive; and understand the need & how to achieve change)

- **3 general Access & Inclusion events**, 161 attendees
- **3 Conversation about Inclusion events**, 110 attendees; online events held with people with lived experience, allowing members to ask questions and hear from someone affected by exclusion. The 2024 events were about including repertoire, music & autism, and socio-economic background
- **Access & Inclusion working group**, 1 meeting, 7 attendees
- Continued with the **INCLUDE** programme, an Arts Council England funded project which supports 4 member groups over 2 years to attract a wider range of people to their group. This deep dive learning is being turned into resources to become a toolkit for all members to use in 2025 (end of project)

- Regularly updated on **INCLUDE** programme through 4 participating groups' total 8 blogs and articles in all three editions of 2024 Highnotes
- **Census Comparison Survey**, facilitating groups to collect, analyse, benchmark participants' and audiences demographic data, used by 11 groups, **resource** 264 views
- **Coming out to your music group**, blog by Exeter Festival Chorus member featured in Highnotes magazine
- **5 new resources** - Supporting deaf people and those with hearing loss (171 views), Addressing barriers with your group's performance wear (602 views), Reading sheet music in a choir: a beginner's guide (1,111 views), Recording Welcoming and including new people in your band (73 views), Peterborough Sings recruitment toolkit (989 views)
- **Equality, Diversity and Inclusion policy and plan templates**, 566 views (2023: 673)
- Event **We Need To Change! But Where Do We Start?**, 36 attendees, led to starting a Chairs Network (they are often the change 'champions')
- Followed up with **article in Highnotes Summer**
- **2 Chairs Networks**, 70 attendees, to be programmed now twice a year, with some external speakers
- **2 blogs** on Classically Black Symposium (18 views), Connecting disabled musicians with adapted instruments (90 views)
- **WHAT WE DID (supporting & encouraging musical development & trying new activity):**
 - Delivered **Adopt a Music Creator** project, matching 4 groups with a music creator each for a year; 21 applications from members (2023: 17), 7 blogs/1 vlog (together 483 views), 1 news item (440 views)
 - **2 blogs on new music** (Whitehall Choir, Winkleigh Singers), 63 views
 - **3 inspiration blogs** on making musical history (White Rosettes) (254 views); collaboration between choir and art trail (70 views); The Sun Does Shine Vox Holloway project (72 views)
 - **1 event** on The Positive Power of Projects, followed up as 4 recordings on the 4 featured projects
 - **1 event** Where Do I Find Sheet Music, and at what price?, 115 attendees
 - **3 case studies:** Working with music hubs (Wolverhampton Symphony Orchestra), 422 views; Wetherby Choral Society and Royal National Lifeboat Institution, 197 views; Diversifying Repertoire (Sheffield Philharmonic Society), 540 views
 - **Articles in Highnotes magazine** on various opportunities (Make Music Day etc.); case studies and inspiration stories - we use print, online content and social media to share material with the widest possible audience
 - **Music bank** is a tool to research repertoire, access free programme notes and exchange sheet music with other Making Music members
 - 19,112 artistic works listed (2023: 18,935)
 - 12,611 items of sheet music available through member-to-member exchange (2023: 12,364)
 - 5,710 programme notes available free (2023: 5,707)
 - 29,483 **Music Bank webpages** viewed (2023: 40,647)
 - 109,947 views for the **Musical Vacancies** pages (2023: 64,726)
- **WHAT WE DID (helping volunteer promoters adapt, incl. their subscription models):**
 - **1 event on ticket selling strategies**, 129 attendees
 - **2 promoter network meetings**, one on alternatives to subscription models, one on programming (both with members as speakers) 31 attendees

- **WHAT WE DID (helping groups engage with Social Prescribing):**
 - Blog on new app for social prescribing, 98 views
 - Collection of Social Prescribing resources highlighted regularly, 149 views
- **WHAT WE DID (helping members adapt to and influence on climate change)**
 - 2 Climate Change network meetings, 29 attendees, recordings, 94 views
 - Topics/speakers included travel, banking, an organisational 'digital footprint' card game; an introduction by the Green Award winners to their work; Arts Council England; Matthew Elderton-Lewis, composer, on his Ecomelodies project
 - Continued to add resources and signposting to webpage, 227 views
 - Green Award, given to Big Noise Chorus

Relevant resources and events were regularly highlighted in the monthly email newsletter iNotes and the print magazine Highnotes.

4) Skilled: prepared for a digital future

This objective is about supporting members to be able to take advantage of the new digital world and all its tools in order to help their group to flourish

- **WHAT WE DID**
 - **Making Music Platform;** this online admin tool and public-facing website template is available to members at an affordable price and supported by a full-time team member. It helps members manage their administration more efficiently and communicate better externally and internally.
 - 411 users (2023: 340)
 - 97 new ones set up (2023: 93)
 - 4 events (3 for existing users), 271 attendees, 3 recordings, 385 views
- **Making Music Platform Service hub,** 4,732 views
- **Digital marketing skills:**
 - 4 events (Smartphone photography/video, Canva for beginners, Social Media strategy, Inclusive Marketing & Communications), 291 attendees
 - 1 resource (Sourcing royalty-free imagery online), 307 views
- **1 case study** (Overhauling systems with Howdenshire Music), 142 views
 - **Online banking;** it would support groups' efficiency to use online banking, but during 2024 it became clear that there are obstacles to this due to way that most banks treat charities and unincorporated associations. Making Music supported a national survey on this topic in early 2024.

C. Music groups are connected

This aim is about connecting groups to new and more participants and audiences, supporting them to connect more widely in their communities, and connecting them to each other for peer-to-peer support.

There are four objectives sitting underneath this aim:

- 1) Music groups are visible to potential participants
- 2) Music groups are visible to potential audiences
- 3) Music groups are networked in their communities
- 4) Music groups are sharing with and learning from fellow members

1) Music groups are visible to potential participants

This objective is about helping members recruit, welcome and retain new participants.

- **WHAT WE DID**

- 2 events (Welcoming new people; Inclusive Marketing & Comms), 91 attendees
- 2 new resources, combined 193 views
- 1 case study, Peterborough Sings! toolkit, 989 views
- 40,008 Find a Group pages viewed (2023: 48,002)

- **BENCHMARK NUMBERS (to follow up over period of 5 year plan)**

- Average number of participants per performing group: 2023: 61 (2016: 57)
- Average number of subscribers per promoter group: 2023: 92 (2016: 86)

2) Music groups are visible to potential audiences

This objective is about helping members understand and grow their audiences; 2023 saw the start of this work, we focussed more strongly on this in 2024, and expect to grow this area of support further in 2025

- **WHAT WE DID**

- 3 events (Removing barriers to concerts. Managing events in the MM Platform, Ticket selling strategies), 251 attendees
- 3 events on digital marketing, 239 attendees
- 54,154 Events pages viewed total, including MM events (2023: 60,263)

3) Music groups are networked in their communities

This objective is about helping members build connections in their communities, to raise awareness of their activity with potential participants and audiences, to enhance their value to their communities, to ensure local stakeholders and policymakers know of groups' activities and value to the area.

- **WHAT WE DID**

- 1 event (The positive power of projects), 15 attendees, recording, 4 videos on 4 projects
- 2 case studies (Wolverhampton Symphony Orchestra and music hub, Sheffield Philharmonic Orchestra Diversifying Repertoire, combined 962 views)
- 1 news item (Gaudeamus Chamber Choir & Leigh Art Trail) 70 views
- Promoted opportunities - Make Music Day, 825 views (2023: 1,054), Learn to Play, Fun Palaces, 'get involved' webpages, 446 views (2023: 1,220)
- Opportunities and tips for connections were regularly highlighted in the monthly email newsletter *iNotes* and print magazine *Highnotes*.

4) Music groups are sharing with and learning from fellow members

This objective is about encouraging peer learning through online member meet-ups, specific networks, and facilitating buddying up.

- **WHAT WE DID**

- Encouraged members to stand as trustees for the Making Music Board; 1 event, 22 attendees. 9 candidates stood for 3 vacancies
- Online member networks, 2 each for Wales, Northern Ireland, Scotland, 37 attendees, 1 general one for everyone, 12 attendees, Annual General Meeting, 28 attendees
- Specific networks - 2 each for Treasurers (123 attendees), Chairs (70), Promoter members (31), vocal groups (47); and 1 each for instrumental groups (25) and for a new network for conductors of instrumental groups (25)
- Facebook group for MM Platform users, 206 users, 157 posts

- **Buddied up members on specific issues**, in 2024, we made 18 (2023: 67) connections between 36 (2023: 134) groups - 13 (2023: 58) regarding of Making Music Platform, 5 (2023: 9) regarding Orchestra Tax Relief

Summary support work - data overview

- **29 new or updated online resources** (2023: 40)
- **319,359 total page views of resources pages** (2023: 337,544)
- **1.1m total website page views** (2023: 1.19m)
- **All members receive 1 copy of each of the three annual editions of Highnotes** (print magazine, also sent digitally to members, with a 61% email click through rate)
- **14,000 receive iNotes** (monthly email newsletter)
- **12 updates to members in Scotland**, 7 to members in **Wales**, 4 to members in **Northern Ireland**
- **168 broadcast emails to 783,690 recipients (average per mailing 4,665)** (2023: 207 to 834,085, average 4,029 per mailing) - this was a deliberate change of policy to reduce number of emails sent
- **51 online events for 2,267 attendees** (2023: 53 events for 2,303 attendees)
- We also communicated with our members and the wider leisure-time music, music and charities sector via **extensive use of social media**, to ensure our activities are available to the widest possible number of potential beneficiaries. Some statistics:
 - **Facebook**, posts 250 (2023: 91), engagements 8,855 (2023: 5,185)
 - **Twitter/X**, posts 344 (2023: 368), engagements 3,117 (2023: 5165); to avoid reputational damage and in order not to support an increasingly one-sidedly political platform, we have started reducing our activity on X, with a view of leaving when most members have migrated to different platforms
 - We therefore created a profile on Bluesky, as well as intensifying our activity on Instagram, LinkedIn and YouTube
 - **Instagram**, posts 166 (2023: 68), engagements 832 (2023: 668)
 - **LinkedIn**, posts 92 (2023: 37), engagements 359 (2023: 372)
 - We also have a presence on Threads, YouTube and SoundCloud

2024 (2023)	Info & Advice events	General & specialist meetups	Guest speaker events	Conversations about inclusion	Other events	All events
No. of events	14 (20)	20 (18)	6 (6)	6 (5)	5 (4)	51 (53)
Total number of event attendees	848 (963)	376 (242)	443 (650)	226 (121)	374 (448)	2267 (2303)
Average attendance per event	60 (48)	19 (13)	74 (108)	38 (24)	75 (72)	44 (43)

“

First-class support for amateur music groups. Making Music is the umbrella body for amateur music groups. The advice, guidance and support it gives is unrivalled and helps all of us be more 'professional' in our activities. The subscriptions are very affordable and the optional insurance cover is essential.

- Making Music member

”

2. Supporting leisure-time music / supporting members

D. Leisure-time music is recognised and valued

This aim is about ensuring that leisure-time music is recognised and valued.

There are five objectives sitting underneath this aim:

- 1) Making Music members know how to advocate on their own behalf
- 2) There is a louder collective voice
- 3) Leisure-time music is defended against threats; and conditions enable it to thrive
- 4) The breadth and richness of leisure-time music activity is celebrated
- 5) Data & research about leisure-time music are collected and promoted; and benefits highlighted

1) Making Music members know how to advocate on their own behalf

This objective is about empowering music groups and giving them the right information and tools to be able to make their own case to the relevant policymakers, regulators and stakeholders in their communities.

• WHAT WE DID

- 1 event: Learn more about choirs and tax relief, 61 attendees
- 1 event: #MakeSpaceForMusic - Get involved: 46 attendees; recording: 102 views
- 3 training sessions for staff, to enable them to share knowledge with members and enhance their own ability to advocate
- 14 articles in **Highnotes** (print magazine, 3 times a year), 27 items in **iNotes** (monthly email newsletter) and 22 items in the **area updates to UK nations**
- Update at the start of each online event includes at least one item on current advocacy, lobbying or consultations.

2) There is a louder collective voice

This objective is about ensuring that Making Music is connected to and collaborates with others, to amplify our voice on behalf of our members and the leisure-time music sector.

• WHAT WE DID

- Continued convening, chairing and growing **Singing Network UK**, a loose network of 35 networks & organisations with an interest in singing, meets online.
 - 2 new members joined in 2024 (Chorally, Sing Space Choir)
 - Meeting 1 on creative tax relief for choirs; invitees beyond regular group: Musicians Union, UK Music, Arts Council England, professional choirs

- **Meeting 2:** update on tax relief for choirs campaign; Peterborough Sings! about their recruitment toolkit; MM about INCLUDE project.
- Continued hosting, convening and growing the **Community Spaces Forum** to support campaign on accessible, affordable local spaces for community activity
 - Two meetings in 2024: election asks; planning consultation; Martyn's Law progression in parliament
- **External events attended by staff:** the purpose is to raise the visibility of leisure-time music with others & make contacts for collaborations or campaigns.

Attendance: Association of British Orchestras (ABO) conference; ABO Scottish members' meeting; Music and Drama Education Expo; Music Education Partnership group (Scotland); Royal Philharmonic Society Awards; Scotland Cross Party Groups on Music, on Culture & Communities; Wales Cross Party Group for Music; What Next? meetings; Campaign for the Arts meetings; Music Publisher Association summer event; Culture Counts (Scotland); PRS for Music summer event; UK Music summer event; Charity Finance Group London members meeting; Indigo webinars; Scottish Community Link Worker Network; Arts Culture Health & Wellbeing Scotland report launch; Creative Lives events/awards; Welsh Massed Male Voice Choirs concert; Social Behavioural Research Group research presentation; Culture Health and Wellbeing, Strategic Alliance Members meeting; Campaign for the Arts' State of the Arts report launch; Federation of Scottish Theatres/Society of London Theatre/UK Theatre Edinburgh Festival reception; Launch of Arts Council for NI 10 year Strategic Plan, Welsh Music showcase; Scottish Advisory meeting, Schools Enterprise Association; Event Healthcare Standard consultation round tables; Brass Bands England conference; Scottish Youth Music Exchange; London Gay Men's Chorus Christmas concert and other MM member concerts and events

 - **Spoke at:** presented a provocation at the AHRC Research 'Sandpit' meeting on Arts & Wellbeing; spoke at event hosted by Arts Council England on music libraries; took part in Guinness World Record-status-achieving 'Let Her Music Play' (24-hour live-streamed concert of all women composers' music); 2 sessions at Hand in Hand Festival (LGBTQ+ Choir Festival); co-hosted event with Arts Council England on providing a creative tax reliefs service; spoke at a classical leisure-time music groups' gathering at St George's in Bristol; spoke about churches as spaces for leisure-time music at Heritage Religious Buildings' conference; presentation on Access & Inclusion, and workshops to create international advocacy document The Prague Convention 2024 at (HE)ARTSBEATS conference (hosted by Czech Republic); chaired panel on the role of choirs in society, and co-presented on Social Prescribing for Sing For Pleasure's 60th Anniversary conference
- **External connections**
 - (CEO) Treasurer, **Amateo**, European Network for participation in cultural activities; (Deputy CEO) Treasurer, **National Music Council**; (CEO) Chair, **Make Music Day UK**; (CEO) trustee, **Music Libraries Trust**
- **Meetings additionally with**
 - Hull University; ABRSM; Venue St George's Bristol; UK Music; Arts Council England; David Taylor; Sarah Gee; Nordicity; Voices Weaving; MyCake; Interkultur; Polyphony Arts; Learn to Play Day; ISM; Together Coalition;

Creative Lives; MD Brunch; Serpentine Gallery; Society of London Theatre/ UK Theatre; Helen Harrison (conductor); Paul Barton Hodges; Ruth Harper/ Masters supervisor; former MM Chair Peter Lawson; Peterborough Sings!; Westminster Library; Audience Agency; Bennett Institute, Cambridge University; conductor Peter Manning; Future Arts Centres; Dunard Centre (Edinburgh); composer Nathan Dearden; music publisher/journalist Katy Hamilton; Military Wives' Choirs; Jennifer Fuller (PHD candidate); National Youth Orchestra of Scotland; St George's, Bristol; London Gay Men's Chorus; Presto Music; Association of Teachers of Singing; Royal Welsh College of Music and Drama; Anthem (Wales)

3) Leisure-time music defended against threats; conditions enable it to thrive

This objective is about reactive advocacy - responding to potential threats, e.g. from unintended consequences of new regulation or legislation; and about proactive advocacy - working to improve conditions for leisure-time music groups.

- **WHAT WE DID - reactive**
 - **Terrorism (Protection of Premises) Draft Bill ('Martyn's Law')**
 - **Additional consultation** in early 2024, as a result of submissions to the 2023 one (of which a third from community sector, including our members)
 - **Produced a briefing document for members** and encouraged them to respond; we **made a submission** on behalf of members
 - **Attended 2 workshops with Home Office** to explain our sector
 - This draft bill was taken on by the new government elected in July and started its progress through parliament in the autumn of 2024
 - **RESULT** The new draft bill now reflects some of the changes we have been asking for, including minimum capacity (now raised to 200) of venues that have to engage with this legislation, training requirements, types of events
 - **We responded to the following consultations/calls for submissions:**
 - DCMS consultation on the **Participation Survey** which provides the only large and regular data on participation in arts activities. **Result:** Results summary and DCMS response published August 2024; we recognise some of the comments listed from our submission. Adjustments, if any, to the survey(s) no earlier than 2025/26 survey
 - on the **National Planning Policy Framework (England)**, with the aim of supporting what is already there in terms of community assets to be built/protected in new developments, and to ask for more explicit articulation of the kinds of spaces our members need (more like mentions for sport infrastructure. **Result:** Government response published in February 2025. No new mention of spaces for community cultural activity
 - to HM Treasury for the **Autumn Budget**, with the proposal that 'voice' should be included as one of the eligible instruments in Orchestra Tax Relief. We argued this meets Government's aim for growth in the creative industries, and will result in increased tax revenue longer term. We encouraged members to write to their MPs to make their case to the Chancellor. **Result:** higher level Orchestra and Theatre Tax Relief confirmed; Orchestra Tax Relief not extended to choirs
 - **pre-budget scrutiny by the Scottish Parliament Culture Committee** to highlight the need to protect resources that leisure time music groups rely on, covering tax relief for choirs, joined up strategy with local authorities

to support grass roots culture and the venues it operates from. **Result:** Our submission mentioned in the report (page 2, para 26)

- written evidence to the (Wales Parliament) **Culture, Communications, Welsh Language, Sport, and International Relations Committee inquiry into the Impact of funding reductions for culture and sport**. **Result:** our submission (in relation to rehearsal spaces for music groups) referenced in the report (published Jan 2025) p66, para 215
- **Curriculum Review (England)**; we articulated the benefits of music learning for all, referenced research which shows its impact on the cognitive development of young people, and how the most disadvantaged young people are missing out on these benefits due to barriers including cost, and argued that music is for all pupils, not just the 'gifted and talented'. We created a briefing for members and encouraged them to respond to the consultation. **Result:** interim report expected July 2025
- the **next NHS 10 year plan (England)**; we asked for social prescribing to be equitably available all across England, for cross-departmental and non-siloed working (too often departmental actions affect/cancel each other), and suggested that greater awareness and signposting to community music-making could support prevention of sickness. **Result:** not yet known
- **Northern Ireland draft Programme for Government (PfG)**, highlighting the vital role music and the arts play in key priorities of the PfG. There were no mentions music and arts in the draft program. **Result:** still no mention of music and arts in the final version published March 2025
to the second draft of the **Arts Council of NI strategic plan** which included our suggestion to make one of their outcomes focus on 'participation' as well as 'audience development'. **Result:** no further improvement

- When members alerted us to closure of the **Westminster Music Library**, we met with the library service to understand the cause, involved members, and offered support for staff recruitment (main cause of the temporary closure). **Result:** spring 2025: member of staff appointed, no timeline yet for service re-opening

• WHAT WE DID - proactive

- **#MakeSpaceForMusic campaign** launched in 2023, to address the long-term and increasingly acute problem facing community groups to find accessible and affordable spaces for their regular activity in their local area. The campaign continued in 2024
 - **1 event** for members (**#MakeSpaceForMusic - get involved**), 46 attendees, recording 102 views
 - Convened two meetings of the **Community Spaces Forum** in 2024 on: election asks; planning consultation; Martyn's Law in parliament
 - Made a submission to the **second consultation on Martyn's Law**, created notes for members and encouraged them to respond, too
 - Created **briefing paper with case studies** for members' use in influencing
 - **Published case study** by member steel pan band Pan Nation, 70 views
 - Spoke at **Historic Religious Buildings Alliance's** conference, on the significance of churches for leisure-time music groups
 - Responded to **consultation on the National Planning Policy Framework (England)**
 - Became charity partner of **Schools' Enterprise Association**, attended their Scottish advisory group's meeting

- Met with Arts Council England about their **Culture and Place Data Explorer**
- **Article** in magazine *Highnotes*
- **Tax relief for choirs:**
 - **Meeting on creative tax relief for choirs;** invitees beyond regular group: Musicians Union, UK Music, Arts Council England, professional choirs; the meeting suggested adapting Orchestra Tax Relief to include choirs.
 - This was then turned into a **proposal by MM which was signed by 40+ organisations from all across the music sector** (including PRS for Music, Independent Society of Musicians, Ivors Academy, etc. in addition to the ones listed above). MM produced a press release template for all to use
 - **1 event** (Learn more about choirs and tax relief), 61 attendees
 - **2 articles** in magazine *Highnotes*
- **Music libraries:**
 - Making Music CEO continues as trustee of the **Music Libraries Trust (MLT)**
 - Spoke at and promoted event hosted by Arts Council England on the challenges facing music libraries
 - Intervened when Westminster Music Library suspended the service, to identify causes (staff shortage) and support resolution
 - **RESULT** awaiting next steps from Arts Council England; Westminster Music Library successful new appointment, service return expected this year
- **Elections and politicians:** formulated 2 asks for members to use in the run up to UK elections in July 2024
 - **Election Asks campaign page** includes outline of the 2 asks, downloadable flier and image file (for social media)
 - **Article** in magazine *Highnotes*
 - **2 asks were:** #MakeSpaceForMusic; Add 'voice' to Orchestra Tax Relief
 - **Published open letter** on webpage, promoted on social media, emailed to headquarters of major political parties. Letter content - two election asks
 - **Digest for members of manifestos** of major political parties where statements related to culture and community life
 - **Attended** What Next? Arts Hustings - 26 June to highlight our asks
- **Music education:**
 - Participated in round tables on planned National Music Education network
 - Developed a partnership with Norfolk and Suffolk Music Hub
 - Made a submission to the Curriculum Review (England)
- **Association of British Orchestras' campaign on classical music:** supported this public engagement campaign '...to capture the hearts and minds of the general public and change the narrative around classical music and orchestras.' We disseminated a survey; shared the campaign on social media when launched and invited staff, Board and President to create video content on 'music that moves you' - 6 videos shared
- **10 blogs or news items on advocacy matters** and consultations, combined 3,025 views

4) The breadth and richness of leisure-time music activity is celebrated

This objective is about increasing the visibility of the leisure-time music sector and showing how diverse it is and what it does well.

- **WHAT WE DID**
 - **Making Music Awards**, celebrating Making Music members and the professionals and volunteers working with and supporting them

- **Best Music Creator** for a leisure-time music group: joint winners John Gourlay, for Kirkcaldy Orchestral Society, and Roderick Williams, for Saffron Walden Choral Society
- **Best Arranger** for a leisure-time music group: Simon Arnott, for Central London Barbershop Harmony Club
- **Best Project with New Music:** Vox Holloway Community Choir's 'Behind the Bars' documentary developing new oratorio *The Sun Does Shine*, telling the true story of an innocent man's 30-year imprisonment on death row
- **Lady Hilary Groves Award:** Jane Edwardson of Gay Abandon. Jane Edwardson is a pioneer in the LGBTQ+ movement, founding Gay Abandon in 1997, the first LGBTQ+ choir in the North
- **President's Award:** winner decided by online open voting Sue Jolley of Scunthorpe Cooperative Junior Choir, tirelessly volunteering for 15+ years
- **Green Award:** Big Noise Chorus
- The winners were announced by Making Music President Debbie Wiseman OBE at an **online ceremony**, 115 attendees
- **Press release**, 3 uses in mixture of media, 249 recipients), 226 total opens
- Created **broadcast opportunities** to showcase members:
 - **Classic FM** annual broadcast of carols by 5 Making Music groups showcased daily from 14-18 December: Mersey Wave Choir (Liverpool, England) - *Carol of the Bells*; Eden Singers (Cumbria, England) - *I Saw a Maiden*; Dunbartonshire Concert Band (Scotland) - *In the Bleak Midwinter*; Belfast Philharmonic Society (Northern Ireland) - *A Tender Shoot*; Llandaff Cathedral Choral Society (Wales) - *Red and White*
- **BBC Radio 3's** broadcast 7 Adopt a Music Creator projects' new pieces, *Notes on Joy* (Joshua Kaye) performed by Orchestra of the City, *And still we carry on* (Peter Falconer) performed by Band of the Surrey Yeomanry, *Singing for Pleasure* (Dominic Matthews) performed by Singing for Pleasure, *Castle in the Sky* (Robin Fiedler) performed by Regent Brass and Camden Brass Band, *Banks of Lyme Brook*; *Industry* (Charlotte Marlow) performed by Newcastle-under-Lyme Community Orchestra, *Over the Moor* (Hannah Fredsgaard-Jones) performed by Voices of Exmoor, *Salt of the Earth* (Georgina MacDonnell Finlayson) performed by Shenstone Roses and Shenstone Singers
- Created **showcase opportunities** for groups: on **Make Music Day** (21 June) - Northern Ireland: Making Music @ Linen Quarter Business Improvement District event in Belfast: 25 performers/groups performed at eight city centre locations from 8 am to 9 pm. Wales: 7 groups provided a two-hour performance within internal spaces of the Senedd (Welsh parliament building). Scotland: supported Music Education Partnership Group's project We Make Music Libraries to programme events in several libraries across the nation. England: The Big Summer Wind Orchestra and Choir (member group) performed in Potters Field near Tower Bridge (255 signed up to play and sing) between 7-9pm. Our President Debbie Wiseman donated an arrangement of one of her pieces and conducted it
- **Promoted leisure-time music groups** via our online **Find a Group tool**, our **Events calendar**, our communications, including **Highnotes** magazine, **iNotes** e-newsletter, **press releases**, **social media**.
 - **Find-a-Group** 40,008 page views (2023: 48,002)
 - **Events pages** 54,154 views (2023: 60,263)
 - **3 editions of Highnotes**, featuring 60 members overall (plus a list of new members in each edition)
 - **12 editions of iNotes and 23 nation updates**, featuring, name-checking and celebrating members 58+ times

- 9 blogs/vlogs/news items on Adopt a Music Creator projects, 923 views
- 40 other blogs/news items about members, 5,653 views
- 7 press releases, 242 recipients, 583 click-throughs, 46 uses
 - Social media, see statistics above
- Contributed nominations to the Royal Philharmonic Society's Inspiration Award and the Making Music Vice Chair was part of the shortlisting panel
- We were able once again to secure the support of **Debbie Wiseman OBE as President of Making Music**, to act as ambassador and figurehead for Making Music and its members.

5) Data & research about leisure-time music is collected, promoted; benefits highlighted

This objective is about making sure that Making Music and its members, and others in the leisure-time music sector, have as much evidence, research and information as possible at their fingertips demonstrating the size, breadth, impact and benefits of leisure-time music activity for individuals and communities. This will support advocacy of all kinds.

- **WHAT WE DID**
 - 1 event focussed on research, Dr Anita Collins of Bigger Better Brains on Using neuroscience to advocate for music, 96 attendees; recording, 206 views
 - The information held on our website is due to be thoroughly reviewed and restructured for the new website launch in 2025.

Summary of membership data

We benefitted:

- 3,282 full members (2023: 3,279)
- 325 associate members (2023: 330)
- 385 Affiliate members (2023: 439)
- **TOTAL 3,992 (2023: 4,048)**

This breaks down into:

- 2,169 singing groups - 54% of members (2023: 2,167, 54%)
- 1,444 instrumental groups - 37% of members (2023: 1,486, 37%)
- 379 promoters - 10% of members (2023: 395; 10%)

Groups' annual income on which their subscription for 2024 (2023 in brackets) was based:

- Less than £7.2k: 45% (2023: 54%)
- £7.2k-10k (new bracket introduced 2024): 10%
- £10k-14.5k: 14% (2023: 22% = £7.2-£10k + this bracket)
- 14.5k-£21k: 11% (9%)
- £21k-£31k: 9% (6%)
- £31k-£100k: 9% (7%)
- More than £100k: 2% (2%)

Note: groups had not only recovered in 2024, they started growing - in 2024, 69% of our members had a turnover of below £14.5k (2023: 77%). This also means where previously only a quarter had a turnover above £14.5k, now it is a third of members.

We now have the data to show that those 80 members claiming creative tax reliefs have increased their event budgets by an average of 50%, building confidence to become bolder and more ambitious in their programming and promoting of concerts. This growth of theirs will also be feeding into the membership renewal figures.



Paisley Philhamonic Choir



Gaudeamus Chamber Choir

Plans for future periods

2025 & 2026

Aim - Leisure-time music is recognised and valued: we will continue to balance reactive and proactive advocacy, and to celebrate members, and feature evidence and data more strongly on our new website. Some priorities:

- Continue to campaign to **extend Orchestra Tax Relief to choirs** by making ‘voice’ one of the instruments: having the data from the instrumental groups claiming this (increased production budgets, especially spending on professional musicians and new music) makes us doubly determined to work to secure this for choirs too
- Continue to highlight the **need for (and threats to) hyperlocal affordable spaces for music group activity** (regular rehearsals/meetings and performances/events); widening focus more to performance venues (including aspirational ones, e.g. Royal Albert Hall).
- Continue to help find creative local solutions when **music libraries** are under threat (e.g. Westminster Music Library) and to work towards an England wide forum to look for joint national solutions; engaging with relevant services in the other three UK nations
- Work to support other organisations campaigning to reform **banking for small charities**
- Follow progress of **Martyn’s Law (Terrorism bill)** through parliament, and follow up with guidance and support once it becomes law
- Collate and share **research and data** on the new website
- **Respond to consultations as they arise** from government and other agencies and policy makers and are relevant to members, e.g. the current review of Arts Council England
- **Our lobbying & advocacy work** has increased in the last two years, alongside our support for members to help them advocate for their own groups, especially locally.

Aim - music groups are connected:

- Continue to help members recruit and retain participants - the resources and events for this are now well-established, and this remains members’ number one concern

- Focus on developing new tools and events to help members grow and develop their audiences - this area of work is not new, but we plan to expand it this coming period
- Continue to help members learn from and connect with each other. The new website will make it easier to buddy up members; we will continue our online events which offer opportunities to connect; and are considering other online discussion platforms
- Consider how to encourage and support groups to build more connections in their communities which we have seen helps them grow and increase their sustainability. Case studies are useful tools for this, as well as opportunities such as Make Music Day.

Aim - music groups are more sustainable: we will focus strongly on helping members

- become financially more resilient; encouraging them to look holistically at their income, to consider creative tax reliefs and Gift Aid; supporting their Treasurers
- improve their governance; supporting legal status reviews, encouraging adopting model constitutions; succession planning; volunteer/trustee recruitment, etc.
- be open to and embrace change; conclude the INCLUDE project, disseminate the resulting toolkit throughout 2025; continue the Chairs Network to support changemakers in groups
- streamline their processes and improve their online presence; increasing our capacity to offer Making Music Platform to more members; delivering more digital skills training; exploring the possibilities and challenges of AI for members
- apply for funding for another 'deep dive' project with a small number of members, modelled on the INCLUDE project ingredients of focus on four participating groups, carefully chosen geographically and in terms of group type; a dedicated project manager; and a blend of 'prescribed' and group-envisaged activity over a fixed time period.
- survey members about existing services and their delivery; consult members on new services, especially those from under-represented types and genres

Aim - music groups make the most of Making Music as their home and ally: our main focus here for 2025 is to launch the new website and then to roll out information and training to members in late 2025 and 2026, so they are able to make the most of it very quickly.

We are half way through the 5 year plan and successfully working towards achieving our objectives, with the exception of the delay to completing the delivery of the new website, now due for launch in 2025.

Organisationally, Making Music will focus on:

- **delivering the new website (due August 2025);** this strategic project is crucial for members' and Making Music's future resilience, enabling members to make the most of our resources and services and enabling Making Music to reach more groups and strengthen its voice. It is therefore our view that investing in the new website is a responsible use of our reserves and of staff resource for the preparation and development, as it furthers our purpose to support the leisure-time music sector
- **increasing our membership;** so that we may strengthen our representative voice and be able to deliver greater value to more individuals and communities by empowering and supporting the volunteers who run music groups, enabling groups to thrive; with a new Marketing Manager now in place (after a considerable gap in this role), this will be a focus
- **continuing our work on becoming an inclusive and diverse organisation,** able to welcome the most talented people to join us and support them to flourish and develop; and to support and represent the widest range of leisure-time music groups
- **expanding our capacity** in order to be able to offer services to more members and to advocate on behalf of the sector more effectively.



Vox Holloway



Black Sheep Harmony

Financial review

Financial result for 2024

Making Music continued its return to positive net income in 2024. While grant income supported the growth in total net income to £201,804 (2023: £98,009), we continued to rebuild an underlying net operating income position. Funding was invested to expand our services, produce new resources and broaden the advice offer to members.

Total income of £1,021,125 (2023: £928,990) included membership subscription income of £571,483 (2023: £493,521). This, our largest income stream, finally returned towards a more usual pattern. Based on our members' income in the preceding year, it has taken until 2024 to fully recover from the pandemic.

As member activity recovered, income from our paid-for member services increased by 26% to £146,430 (2023: £115,951). Funding from the Esmée Fairbairn Foundation (EFF) enabled us to invest in additional staff time towards meeting the demand for our Making Music Platform member website product and support our Orchestra Tax Relief claim service.

Unrestricted grants from the Esmée Fairbairn Foundation (EFF) and Arts Council England (ACE) also contributed to the long-term health of the sector by funding new work to help our groups identify and remove barriers to retaining and attracting new members & new audiences.

With membership fees collected annually in advance and funds set aside for the new website project, Making Music continued to benefit from consistently high interest rates during the year.

Total expenditure for the year was £826,903 (2023: £841,299). The decrease was in the expenditure of restricted funds, following the end of several projects.

Consolidated cash balances of £1,620,119 at 31 December 2024 (2023: £1,306,065) include deferred membership subscription income collected for 2025 and insurance premiums and PRS fees collected from members to be paid over to third parties early in 2025. Net current assets of £656,507 (2023: £536,236) provide a more accurate picture of working capital. The increase in working capital reflects net cash provided by operating activities.

Making Music continues to invest in the development of a new website and digital delivery portal. The development costs to date have been capitalised and recognised as an intangible fixed asset. Amortisation of these costs, over the expected useful life of the website, will begin once the website goes live in 2025.

The trading subsidiary, NFMS Enterprises Limited, generated a profit of £51,473 (2023: £38,444) which was donated to the charity under deed of covenant.

Reserves Position

Total funds held at the end of the year were £1,053,350 (2023: £851,546). This increase reflects the impact grant funding has had on strengthening the underlying financial position of both Making Music and many of our members, who then renew their subscriptions at higher levels. Funds have been invested in the completion of a new website and digital delivery portal which will continue this process.

Of these funds, £342,560 (2023: £335,200) were held in a permanent endowment fund and £113,281 (2023: £93,107) were held in funds for restricted purposes.

Unrestricted funds of £597,509 (2023: £423,239) included £128,764 (2023: £114,333) held in designated funds to spend on projects in 2025, including £128,614 to complete the development of the new website and digital delivery portal.

The remaining unrestricted general funds of £468,745 (2023: £308,906) include £278,134 (2023: £169,182) which can only be realised by disposing of fixed assets. This leaves free reserves of £190,611 (2023: £139,724).

Reserves Policy

It is the policy of the charity to maintain adequate reserves to cover between 3 and 6 months of unrestricted expenditure, in normal circumstances. This target has been set because the charity has a high committed cost base. Staff costs account for approximately two thirds of expenditure, with our staff team vital to providing services paid for in advance by our members.

Unrestricted funds at 31 December 2024 were £597,509 (2023: £423,239) but after deducting designated funds and fixed assets, the remaining free reserves of £190,611 (2023: £139,724) represent 3 months' (2023: 2.3 months') of unrestricted expenditure, excluding depreciation (based on current year figures). This returns the reserves position to within the parameters of the reserves policy.

Investment Policy

The Investment Policy, approved by the Board in February 2023 and reviewed annually, recognises two distinct pools of funds available for investment:

- An operating fund comprising surplus unrestricted and restricted funds. The purpose of this fund is to provide sufficient cash to meet the day-to-day financial obligations of the charity. The investment objectives include capital preservation and liquidity which limit the risk appetite for these funds. Funds are held in a mixture of current, short-term and medium-term bank deposits.
- A Permanent Endowment Fund comprising the capital of the Philip & Dorothy Green legacy for young musicians. The fund must balance returns to maintain the capital value of the endowment in perpetuity while providing income for subsidies, grants and awards within the purposes of the endowment. A diversified approach, using a pooled multi-asset fund (IFSL CAF ESG Income and Growth Fund) and cash deposits, helps mitigate the risk of volatility and exposure to one sector or investment class. The balance of the overall portfolio is reviewed on a quarterly basis and is consistent with the charity's ethical policies and values. Following a period of investment growth, a partial sale was made in November 2024 to rebalance the portfolio, realising a gain of £3,045. At 31 December 2024, the capital value of the CAF ESG Fund was £118,709, (2023: £146,128). The unrealised gain for the year was £4,537. Investment income earned by the Fund in the year was £4,046 (2023: £4,055).

Going Concern

With grateful support from external funders, we have invested in services and resources to diversify the activity of our members and strengthen their financial position to face the challenges of the future. At the same time, we have returned our own reserves position to within the optimal parameters of our reserves policy and continued to invest in creating a new website and digital delivery portal which will underpin the future services of Making Music.

Since the end of the financial year, membership retention for 2025 has remained high and consistent, with 95% of member groups renewing their subscription (2023: 94%). Our consistently high retention rate demonstrates both the resilience of our member groups and the value they place on their membership of Making Music.

Members renew their subscriptions based on their own income for the previous accounting period. For 2025, 40% of members renewed at the lowest subscription rate reflecting income earned in 2023/24. This is an improvement from 2024 when 45% members renewed at the lowest subscription rate and compares to 54% for 2023 and 64% for 2022. This demonstrates the impact of the pandemic on both the income of Making Music and its members and the lag in recovery.

We are fortunate that the timing of membership renewals and some other income streams is heavily weighted to the first quarter of the year, giving us highly predictable annual income at the start of the year. By 31 March 2025, 85% of forecast income for 2025 (2024: 85%) had been earned, allowing us to make effective financial plans for the rest of the year.

As our underlying financial position returned to net income last year, we felt confident to make a significant investment of reserves in a new website and digital delivery portal. This project, due for delivery in 2025, will enhance the service we provide to members, improving both their long-term resilience and that of Making Music.

The Board's Finance & Compliance Committee scrutinises the management accounts, reforecasts and draft budgets for future years on a regular basis, ahead of presentation at the following full Board meeting.

At the date of approving the report and accounts, the Board believes there are no material uncertainties about the charity's ability to continue as a going concern and the financial statements are prepared on a going concern basis.

Other Principal Risks and Uncertainties

The Board has carried out a review of the major risks to which the charity is exposed and has put in place controls and activities to mitigate those risks which are within their control to influence ('strategic risks', 'preventable risks'), and to be prepared for any risks which may be outside their control ('external risks').

In addition, as part of the work for the 5 year plan, in force since January 2023 and valid until December 2027, the Board and Senior Management Team reviewed the internal risks and priorities for Making Music, to ensure the organisation remains sustainable and able to deliver public benefit and relevant support to the leisure-time music sector.

To achieve the aim of Making Music sustainability, 5 objectives have been identified:

- 1) Grow and broaden membership and membership offer; *this will strengthen Making Music financially and as the voice for the leisure-time music sector.*
- 2) Retain, recruit, develop, support staff team & Board; *Making Music's team and Board are its biggest asset and unique selling point, due to their in-depth understanding and knowledge of the sector; it is therefore crucial to support the team to thrive.*

- 3) Clarify and communicate brand identity; launch & embed new website; *the new website, due to launch 2025, will facilitate members' access to services and resources, reduce uptake of team time, and provide a clearer path for non-members to be guided to membership or to relevant resources, opportunities and campaigns.*
- 4) Rebuild reserves & ensure suitable premises; *as a 10 year office lease comes to an end, a detailed feasibility study identified the best way forward for the organisation (a move within London); reserves - plans are in place to grow income generation, to allow rebuilding of the reserves invested in the new website.*
- 5) Document outcomes and impact; *Making Music has developed thorough and detailed plans on how to measure, report on and disseminate the outcomes of its work.*

Risk/type of risk	Impact x Likelihood	Mitigation
Strategic risk: new website project overrun (time, cost)	4 x 4 = 16 (high)	- Project close to completion - Case by case consideration of additional needs
Strategic risk: capacity for new service development & activity to meet demand	4 x 3 = 12 (medium)	- Invest in systems improvements to improve efficiency - Invest in more staff for service/resource development - Investigate funding to support scale up of activity
Preventable risk: Lack of financial sustainability	4 x 3 = 12 (medium)	- Prioritise member recruitment & retention - Develop earned income in our control - Help members maximise their income - Contain costs & keep reserves under review - Consider external funding opportunities
Preventable risk: Weak governance and non-compliance	4 x 2 = 8 (medium)	- Ensure vision, mission, objectives and plan clear to Board, staff and members - Invest in Board communications, development, induction - Policies, procedures & processes in place with compliance oversight & training for staff and Board - Keep abreast of regulatory changes and best practice - Seek professional advice where appropriate - Review risk assessment four times a year
Preventable risk: Infrastructure failure/ Data breach/Cyber attack/ Loss of staff	4 x 4 = 16 (high)	- Strong focus on fit for purpose IT infrastructure; cyber security; investment in training and processes - Appropriate insurance policies - Best practice HR management, focusing on support and development of staff; prioritise resources on pay & terms
Preventable risk: Reputational damage	4 x 2 = 8 (medium)	- Regular refresh of values with team - Monitoring of social media policy for staff and Board - Emergency media plan in place - Careful consideration of lobbying, advocacy & campaigns - Timely & appropriate response to public comments

External risk: economic (rising costs, local authority crises, infrastructure failure - especially spaces for member activity)	3 x 3 = 9 (medium)	- Regular and systematic monitoring of external environment for potential threats, for Making Music and for members - Regular management meetings to evaluate and respond to changing circumstances for Making Music - Campaigning on #MakeSpaceForMusic and creative tax reliefs on behalf of members, collaborating with others
External risk: technological (AI; skills to maximise digital benefits and minimise online threats)	3 x 3 = 9 (medium)	- Invest in understanding and training in use and implications of AI, cyber security, digital tools - Write policy and strategy on AI for Making Music - Support members with digital skills, cyber security and AI

Structure, governance and management

Making Music's governing documents are its Articles of Association. As well as being a registered charity in England and Wales, Making Music is a registered charity in Scotland and a company limited by guarantee.

Making Music's Board of Directors is made up of 9 trustees elected by and from the membership and up to 5 trustees co-opted by the Board of Directors. The Chair, Vice Chair and Honorary Treasurer are elected by the Board from among their number and can serve in their role for up to two terms of three years each. Co-opted trustees can serve one term of three years each. In March 2024, the Chair, an elected member of the Board, became a co-opted member of the Board when their group ceased to be a member of Making Music.

Every year, a third of elected trustees retire. Retiring trustees can put themselves forward again for election for a maximum two terms of three years each. A call is put out to members for nominations and when there are more nominations than vacancies, an election is held (this is usually the case), with the result announced at the Annual General Meeting.

When a new trustee is appointed or co-opted, they receive a full day induction from the Chief Executive and Chair, including on procedures, policies, strategy, and have an opportunity to meet all the staff of the charity.

Organisation

Overall responsibility for the Charity's strategy and direction rests with the Board of Trustees, which comprises all Directors. The carrying out of day-to-day activities is delegated to the staff under the management of the Chief Executive and Senior Management Team.

A remuneration committee of the Board sets the pay structure for all staff. If applicable, any annual percentage increase is applied consistently to all staff.

Subsidiaries

The charity has a trading subsidiary, NFMS Enterprises Ltd, whose accounts are reported separately, and are consolidated into these accounts.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and regulations.

The Trustees are the company's Directors. Company law requires the Directors to prepare accounts for each financial year. Under that law they have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

In accordance with company law, the trustees, as the company's Directors, certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board on 21 May 2025.

By order of the Board

Rhiannon Harrison

Rhiannon Harrison
Chair

Opinion

We have audited the financial statements of National Federation of Music Societies (“the parent charitable company”) and its subsidiary (together “the group” for the year ended 31 December 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 28, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory framework applicable to the preparation of the financial statements of the group, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: the Companies Act 2006, the Charities Act 2011, Charities SORP, Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the group's operations and to avoid material penalties, including GDPR, employment law, and health and safety regulations.

Having reviewed the laws and regulations applicable to the group, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with sector experience to perform the audit;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with the laws and regulations;
- Obtained and reviewed meeting minutes;
- Obtained and reviewed correspondence with the regulator;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the group's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the group's systems and controls, including identifying any weaknesses and considering the risk of management override of controls;
- Assessing the susceptibility of the group's financial statements to material misstatements, including considering how fraud could occur;

- Considering if there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they were aware of any actual or suspected fraud;
- Reviewing the accounting policies and accounting estimates for signs of management bias; and
- Identifying key risks relating to irregularities as relating to management override of controls, the completeness of income and deferred income in relation to membership subscriptions.

We then designed audit procedures in response to the risks identified, including reviewing journal entries, assessing management estimates and judgements, performing substantive testing and analytical review supported by testing of underlying controls for income and deferred income.

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities, including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

James Mathieson

J Mathieson FCA

For and on behalf of Lindeyer Francis Ferguson Limited, Statutory Auditor
North House
198 High Street
Tonbridge
Kent TN9 1BE

Date: 25 May 2025

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 Unrestricted funds	2024 Restricted funds	2024 Endowment funds	2024 Total funds	2023 Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	153,023	64,181	-	217,204	241,818
Charitable activities	4	717,913	-	-	717,913	609,472
Other trading activities	5	42,050	-	-	42,050	45,162
Interest and dividends		23,719	20,239	-	43,958	32,538
Total		936,705	84,420	-	1,021,125	928,990
Expenditure on:						
Raising funds	6	19,062	-	-	19,062	19,665
Charitable activities	7	743,373	64,246	222	807,841	821,634
Total		762,435	64,246	222	826,903	841,299
Net gains on investments	12	-	-	7,582	7,582	10,318
Net income	8	174,270	20,174	7,360	201,804	98,009
Transfers between funds		-	-	-	-	-
Net movement in funds		174,270	20,174	7,360	201,804	98,009
Reconciliation of funds:						
Total funds brought forward		423,239	93,107	335,200	851,546	753,537
Total funds carried forward	15	597,509	113,281	342,560	1,053,350	851,546

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024



	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible assets	10		267,805		162,822
Tangible assets	11		10,329		6,360
Investments	12		118,709		146,128
			<u>396,843</u>		<u>315,310</u>
Current assets					
Debtors	13	153,904		179,602	
Cash at bank and in hand		1,620,119		1,306,065	
		<u>1,774,023</u>		<u>1,485,667</u>	
Creditors: amounts falling due within one year	14	(1,117,516)		(949,431)	
Net current assets			656,507		536,236
Total net assets			<u>1,053,350</u>		<u>851,546</u>
The funds of the charity:					
Endowment funds			342,560		335,200
Restricted funds			113,281		93,107
Unrestricted funds			597,509		423,239
	15		<u>1,053,350</u>		<u>851,546</u>

The financial statements were approved by the Board of Trustees on 21 May 2025 and were signed on its behalf by:

Rhiannon Harrison

Rhiannon Harrison
Trustee

Andrew Devine

Andrew Devine
Trustee

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2024



	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible assets	10		267,805		162,822
Tangible assets	11		10,329		6,360
Investments	12		118,713		146,131
			<u>396,847</u>		<u>315,313</u>
Current assets					
Debtors	13	190,787		200,789	
Cash at bank and in hand		1,561,782		1,268,892	
		<u>1,752,569</u>		<u>1,469,681</u>	
Creditors: amounts falling due within one year	14	(1,096,066)		(933,448)	
Net current assets			656,503		536,233
Total net assets			<u>1,053,350</u>		<u>851,546</u>
The funds of the charity:					
Endowment funds			342,560		335,200
Restricted funds			113,281		93,107
Unrestricted funds			597,509		423,239
	15		<u>1,053,350</u>		<u>851,546</u>

The financial statements were approved by the Board of Trustees on 21 May 2025 and were signed on its behalf by:

Rhiannon Harrison

Andrew Devine

Rhiannon Harrison
Trustee

Andrew Devine
Trustee

Company number: 308632

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024



	Note	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	349,368	124,745
Cash flows from investing activities:			
Dividends and interest from investments		43,958	32,538
Purchase of intangible fixed assets		(104,983)	(162,822)
Purchase of tangible fixed assets		(9,290)	(840)
Proceeds from sale of investments		35,001	-
Net cash used in investing activities		(35,314)	(131,124)
Change in cash and cash equivalents in the year		314,054	(6,379)
Cash and cash equivalents at the beginning of the year		1,306,065	1,312,444
Cash and cash equivalents at the end of the year		1,620,119	1,306,065
A. Reconciliation of net income to net cash flow from operating activities			
Net income for the year		201,804	98,009
Depreciation and amortisation charges		5,321	6,013
Gains on investments		(7,582)	(10,318)
Dividends and interest from investments		(43,958)	(32,538)
Decrease in debtors		25,698	11,355
Increase in creditors		168,085	52,224
Net cash provided by operating activities		349,368	124,745

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with "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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

Making Music meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Basis of consolidation

The consolidated financial statements incorporate those of Making Music and its wholly owned subsidiary undertaking, NFMS Enterprises Limited. All intra-group transactions and balances are eliminated on consolidation.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group 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.

Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds. Where grants are received in response to a proposal including a budgeted timescale, such that the timescale for the expenditure is implicit in the grant agreement, the income is recognised in accordance with that timescale.

Income from legacies is recognised when there has been a grant of probate, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached are within the control of the charity or have already been met.

Income from charitable activities, including member services, is recognised over the period to which the income relates. Membership subscriptions are recognised on a straight line basis over the term of the subscription.

Gifts in kind are only included in the financial statements when the charity is entitled to them, when it is probable that the charity will receive the economic benefits, and when the fair value or value to the charity, as appropriate, can be measured with sufficient reliability.

Investment income is recognised when receivable. Interest is accounted for as accrued income where it is due but has not yet been credited.

Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Grants payable are recognised when a commitment has been communicated to the beneficiary.

1 ACCOUNTING POLICIES continued

Expenditure (continued)

Staff costs have been allocated to expenditure headings on the basis of an estimate of the amount of time spent by staff members in each area.

Support costs are those functions that assist the work of the charity but do not directly relate to the charitable activities, and include governance costs. Support costs have been allocated to charitable activities on the basis of direct staff costs.

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 the 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.

The permanent endowment fund relates to a legacy from Philip & Dorothy Green for young musicians. The net income is transferred to a separate restricted fund.

Designated funds are unrestricted funds which the trustees have designated to be used for a particular purpose.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

During the year, the Board approved a new accounting policy for fixtures, fittings and equipment changing from a historic reducing balance basis of between 7 and 33% to a straight line basis. Historic assets which met the definition of leasehold improvements were transferred to a new category and depreciated over the remaining length of the office lease. The trustees believe that both measures are an appropriate and prudent response to the end of the current office lease in 2025.

Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Leasehold improvements	straight line basis over remaining lease life
Fixtures, fittings and equipment	remaining net book value on straight line basis over two years
Computer equipment	33% on the straight line basis

Assets costing less than £500 are not capitalised but are recognised as expenditure in the Statement of Financial Activities in the year incurred.

Intangible fixed assets and amortisation

Intangible fixed assets are recognised when it is probable that future economic benefits will be realised and the cost or value of development can be measured reliably. They are stated at cost less amortisation. The cost of the asset comprises its purchase price and directly attributable costs of preparing the asset for its intended use. This includes employee costs arising from the generation of the intangible asset. Expenditure on research is expensed. Completed assets are amortised over their useful economic life from the month of completion.

During 2023, work began on the development phase of a new website and digital delivery portal for our members. The development costs have been capitalised and treated as an intangible fixed asset (previous websites have been treated as tangible fixed assets). Amortisation will begin when the website is operational in 2025.

Music catalogue copyright licences	5% on the straight line basis
New website (2025)	10% on the straight line basis

Investments

Listed investments are stated at fair value. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. Investments in subsidiary undertakings are stated at the lower of cost and net realisable value.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1 ACCOUNTING POLICIES continued

Financial instruments

Other than listed investments, the charity only has financial instruments of a kind that qualify as basic financial instruments. Short term basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period to which the entitlement relates.

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

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 STATUS

Making Music is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 4 London Wall Place, London EC2Y 5AU.

3 INCOME FROM DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	35,721	30,339
Grants	181,483	211,479
	<u>217,204</u>	<u>241,818</u>

In the preceding period, donation income of £71,800 and total income of £85,088 was restricted.

4 INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Membership subscriptions	571,483	493,521
Member services	146,430	115,951
	<u>717,913</u>	<u>609,472</u>

5 INCOME FROM OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Advertising	23,551	24,827
Rental income	18,000	19,711
Other income	499	624
	<u>42,050</u>	<u>45,162</u>



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6 EXPENDITURE ON RAISING FUNDS

	2024 £	2023 £
Staff costs	10,331	9,957
Advertising agent commission	8,485	8,858
Other fundraising costs	246	850
	<u>19,062</u>	<u>19,665</u>

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	2024 Supporting members £	2024 Supporting leisure-time music £	2024 Total £	Restated 2023 Total £
Staff costs	401,529	61,266	462,795	444,358
Direct costs	75,796	13,628	89,424	102,684
Publication costs	14,658	-	14,658	24,716
Promoter subsidies	1,072	-	1,072	2,679
Event costs	8,672	-	8,672	3,288
Grants payable	10,225	-	10,225	8,275
Support costs allocated	191,739	29,256	220,995	235,634
	<u>703,691</u>	<u>104,150</u>	<u>807,841</u>	<u>821,634</u>
Support costs comprise:				
Support staff costs			72,815	73,120
Other staff costs			7,086	12,450
Marketing			6,098	15,990
Premises and office costs			112,656	108,799
Depreciation			5,321	6,013
Legal and accountancy fees			661	752
Other costs			6,828	8,934
Governance costs:				
Trustee expenses			2,030	2,326
Audit fees			7,500	7,250
			<u>220,995</u>	<u>235,634</u>

In the preceding period, expenditure of £88,105 came from restricted and endowment funds.

8 NET INCOME

	2024 £	2023 £
Net income is stated after charging/(crediting):		
Depreciation	5,321	6,013
Auditors' remuneration for audit services	7,500	7,250
Auditors' remuneration for non-audit services	-	278
Operating lease rentals	38,922	38,887
	<u>38,922</u>	<u>38,887</u>

As permitted by s408 Companies Act 2006, the parent charity has not presented its own Statement of Financial Activities and related notes. The parent charity's net income for the year, before donation of subsidiary profit and excluding investment gains/losses, was £142,749 (2023: £49,248).



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 STAFF COSTS

	2024 £	Restated 2023 £
Gross salaries	503,057	494,694
Employer's National Insurance contributions	42,581	42,810
Employer's pension contributions	15,365	15,303
Redundancy payment	1,264	3,858
	<u>562,267</u>	<u>556,665</u>
Capitalised as Intangible Fixed Asset	(16,326)	(29,230)
	<u>545,941</u>	<u>527,435</u>

One termination payment was payable during the period (2023: one).

No employee had employment benefits (excluding employer pension contributions) above £60,000 in the current period (2023: one between £60,000 - £70,000).

At the balance sheet date, there were no unpaid pension contributions (2023: none).

The average number of employees during the year was 18 (2023:17). The average number of full-time equivalent employees was 14 (2023:14). Two employees took parental leave during the year (2023: three).

During the preparation of these financial statements, it was noted that in the prior period capitalised staff costs of £29,230 had been deducted from direct costs in the SOFA. The prior period figures have therefore been restated to reduce staff costs from £556,665 to £527,435 (note 9) and increase direct costs from £73,454 to £102,684 (note 7).

10 INTANGIBLE FIXED ASSETS

Group and charity	Music licences £	Website £	Total £
Cost			
Brought forward at 1 January 2024	1,500	162,822	164,322
Additions	-	104,983	104,983
Carried forward at 31 December 2024	<u>1,500</u>	<u>267,805</u>	<u>269,305</u>
Amortisation			
Brought forward at 1 January 2024	1,500	-	1,500
Charged for the year	-	-	-
Carried forward at 31 December 2024	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Net book value			
At 31 December 2024	<u>-</u>	<u>267,805</u>	<u>267,805</u>
At 31 December 2023	<u>-</u>	<u>162,822</u>	<u>162,822</u>

In December 2022, the charity made a contractual commitment for the development of a new website and digital delivery portal, due for delivery in 2025. Development costs to 31 December 2024 have been treated as an intangible fixed asset. The estimated remaining development cost of £128,614 has been transferred to a designated fund. Amortisation will commence when the website is operational. Research expenditure for the project was treated as an expense in prior years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11 TANGIBLE FIXED ASSETS

Group and charity	Leasehold improvements £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost				
Brought forward at 1 January 2024	10,265	6,969	130,196	147,430
Additions	-	-	9,290	9,290
Disposals	-	(152)	(8,524)	(8,676)
Carried forward at 31 December 2024	10,265	6,817	130,962	148,044
Depreciation				
Brought forward at 1 January 2024	7,472	6,389	127,209	141,070
Charged for the year	1,862	580	2,879	5,321
Disposals	-	(152)	(8,524)	(8,676)
Carried forward at 31 December 2024	9,334	6,817	121,564	137,715
Net book value				
At 31 December 2024	931	-	9,398	10,329
At 31 December 2023	2,793	580	2,987	6,360

12 INVESTMENTS

Group	2024 £	2023 £
Listed investments		
Fair value at 1 January	146,128	135,810
Additions	-	141,152
Disposals	(31,956)	(135,810)
Unrealised gains	4,537	4,976
Fair value at 31 December	118,709	146,128

In addition, the charity has an investment of £4 (2023: £4), being a holding of 100% of the ordinary share capital, in NFMS Enterprises Limited (company number 02844532), its trading subsidiary. NFMS Enterprises Limited is a company registered in England and Wales with number 02844532. Its registered office is 9 Holyrood Street, London SE1 2EL. All of its profits are covenanted to the parent charity.

The subsidiary contributed turnover of £120,956 (2023: £98,475), expenditure of £69,483 (2023: £60,031) and a profit to the charity of £51,473 (2023: £38,444). At the balance sheet date, the subsidiary had net assets of £4 (2023: £4).



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

13 DEBTORS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	116,447	137,563	94,131	125,052
Amounts owed by group undertakings	-	-	62,620	35,685
Prepayments and accrued income	37,457	42,039	34,036	40,052
	<u>153,904</u>	<u>179,602</u>	<u>190,787</u>	<u>200,789</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade and other creditors	452,231	379,154	448,207	379,091
Deferred subscription income	543,721	434,891	543,721	434,891
Accruals and other deferred income	77,681	106,450	63,131	96,776
Tax and social security	43,883	28,936	41,007	22,690
	<u>1,117,516</u>	<u>949,431</u>	<u>1,096,066</u>	<u>933,448</u>

Included in trade and other creditors are insurance premiums of £420,842 (2023: £341,035) collected from members by Making Music as agent on behalf of the insurer. Also included are PRS contributions of £8,447 (2023: £7,839) collected from members to be remitted to PRS after the year end. Deferred subscription income includes membership payments received in advance of the membership period. Within accruals and other deferred income are deferred grant income balances, where the charity does not have entitlement to the income at the Balance Sheet date.

The movement on deferred membership subscriptions is as follows:

Group and charity	2024 £	2023 £
Balance at 1 January 2024	434,891	426,823
Released to income	(434,891)	(426,823)
Received in the year and deferred	543,721	434,891
Balance at 31 December 2024	<u>543,721</u>	<u>434,891</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15 MOVEMENT ON FUNDS

CURRENT YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	335,200	7,360	-	342,560
Restricted funds				
Philip and Dorothy Green income fund	51,149	49,767	(20,383)	80,533
Adopt a Music Creator	24,999	(1,915)	313	23,397
P & D Green Young Artists fund	-	(19,733)	19,733	-
ACE Feasibility Project fund	7,919	(7,919)	-	-
Other restricted funds	9,040	(26)	337	9,351
	93,107	20,174	-	113,281
Unrestricted funds				
Designated funds	114,333	(1,072)	15,503	128,764
General fund	308,906	175,342	(15,503)	468,745
	423,239	174,270	-	597,509
Total funds	851,546	201,804	-	1,053,350
Current year net movement comprises:	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (losses)</i> £	<i>Net movement</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	(222)	7,582	7,360
Restricted funds				
Philip and Dorothy Green income fund	49,854	(87)	-	49,767
Adopt a Music Creator	25,000	(26,915)	-	(1,915)
P & D Green Young Artists fund	-	(19,733)	-	(19,733)
ACE Feasibility Project fund	1,790	(9,709)	-	(7,919)
Other restricted funds	7,776	(7,802)	-	(26)
	84,420	(64,246)	-	20,174
Unrestricted funds				
Designated funds	-	(1,072)	-	(1,072)
General fund	936,705	(761,363)	-	175,342
	936,705	(762,435)	-	174,270
Total funds	1,021,125	(826,903)	7,582	201,804

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15 MOVEMENT ON FUNDS continued

PRIOR YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	325,275	9,925	-	335,200
Restricted funds				
Philip and Dorothy Green income fund	76,058	31,143	(56,052)	51,149
Adopt a Music Creator	24,000	(21,683)	22,682	24,999
P & D Green Young Artists fund	-	(18,299)	18,299	-
ACE Feasibility Project fund	-	7,919	-	7,919
Other restricted funds	8,894	(1,704)	1,850	9,040
	108,952	(2,624)	(13,221)	93,107
Unrestricted funds				
Designated funds	49,445	(8,694)	73,582	114,333
General fund	269,865	99,402	(60,361)	308,906
	319,310	90,708	13,221	423,239
Total funds	753,537	98,009	-	851,546
Prior year net movement comprises:	Income £	Expenditure £	Gains/ (losses) £	Net movement £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	(393)	10,318	9,925
Restricted funds				
Philip and Dorothy Green income fund	31,344	(201)	-	31,143
Adopt a Music Creator	25,000	(46,683)	-	(21,683)
P & D Green Young Artists fund	-	(18,299)	-	(18,299)
ACE Feasibility Project fund	22,500	(14,581)	-	7,919
Other restricted funds	6,244	(7,948)	-	(1,704)
	85,088	(87,712)	-	(2,624)
Unrestricted funds				
Designated funds	-	(8,694)	-	(8,694)
General fund	843,902	(744,500)	-	99,402
	843,902	(753,194)	-	90,708
Total funds	928,990	(841,299)	10,318	98,009

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15 MOVEMENT ON FUNDS continued

Philip and Dorothy Green endowment and restricted funds

This endowment enables us to provide grants, awards, prizes, donations or financial sponsorship to young musicians. Income is transferred to project funds including the P & D Green Young Artists fund which enables young musicians at the start of their career to gain vital concert and recital experience across the UK. The scheme also allows Making Music member groups to tap into some of the very best young musical talent to programme into their concert. Income from the endowment also part-funds the Adopt a Music Creator project, run annually by Making Music since 2000 and the Awards programme for composers and arrangers.

Adopt a Music Creator

This project enables us to pair a leisure-time ensemble with an emerging composer. It provides a unique opportunity for leisure-time musicians to work directly with a composer, be actively involved in the creative process and discover new music. The project is funded by the PRS for Music Foundation and the Philip and Dorothy Green fund. Separate funding for the project in Scotland is received from Creative Scotland.

ACE Feasibility Project Fund

This grant was awarded by Arts Council England to fund investigation into the feasibility of moving the location of the charity's office outside of London. This was awarded in conjunction with the charity's status of an ACE Investment Principles Support Organisation (IPSO) under the transfer programme. The project completed in February 2024 and the Board decided to remain in London to retain the existing staff team.

Other restricted funds

These funds enable us to make a number of awards, bursaries, and prizes to individual musicians, groups, and organisations in both the voluntary and professional sector. Some of these, such as the Sir Charles Groves Prize, recognise lifelong contributions to the musical life of the UK.

Designated funds

The designated funds represent the remaining development cost budget for the new website of £128,614 (2023: £113,112) and artist subsidies of £150 (2023: £1,222).

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	2024 Unrestricted funds £	2024 Restricted funds £	2024 Endowment funds £	2024 Total funds £
CURRENT YEAR				
Fixed assets	278,134	-	118,709	396,843
Net current assets	319,375	113,281	223,851	656,507
	<u>597,509</u>	<u>113,281</u>	<u>342,560</u>	<u>1,053,350</u>
	2023 Unrestricted funds £	2023 Restricted funds £	2023 Endowment funds £	2023 Total funds £
PRIOR YEAR				
Fixed assets	169,182	-	146,128	315,310
Net current assets	254,057	93,107	189,072	536,236
	<u>423,239</u>	<u>93,107</u>	<u>335,200</u>	<u>851,546</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS continued

Charity	2024 Unrestricted funds £	2024 Restricted funds £	2024 Endowment funds £	2024 Total funds £
CURRENT YEAR				
Fixed assets	278,138	-	118,709	396,847
Net current assets	319,371	113,281	223,851	656,503
	597,509	113,281	342,560	1,053,350
	2023 Unrestricted funds £	2023 Restricted funds £	2023 Endowment funds £	2023 Total funds £
PRIOR YEAR				
Fixed assets	169,185	-	146,128	315,313
Net current assets	254,054	93,107	189,072	536,233
	423,239	93,107	335,200	851,546

17 FINANCIAL COMMITMENTS

At 31 December 2024 the charity was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Due within one year	18,005	38,887
Due in two to five years	1,712	17,346

At 31 December 2024, the charity had commitments of £34,039 for the development of a new website and digital delivery portal due for delivery in 2025 (2023: £98,424) and an annual commitment of £23,850 for a monitoring and maintenance agreement until 31 August 2028 (2023: £23,850).

18 RELATED PARTY TRANSACTIONS

The key management personnel are considered to be the trustees, the Chief Executive, the Deputy Director (Membership & Business Development), the Deputy Director (Advocacy) and the Finance Director.

The total amount of employee benefits (including employer's national insurance and pension contributions) received by key management personnel during the year was £174,313 (2023: £209,520).

There were no Trustees' remuneration or other benefits during the current or prior period.

Trustees were reimbursed expenses of £1,311 (2023: £2,349), in respect of eight (2023: seven) trustees for travel and subsistence costs. There were no other related party transactions in the year. In 2023, Ms Clare Birks served as a trustee and was related to the owner of the property leased by the charity. The amount of the lease charge payable per annum was £36,996. While serving as a trustee, Ms Birks was excluded from any discussions on property-related matters and the rent was negotiated on an arm's length basis.

Accounts



NATIONAL FEDERATION OF MUSIC SOCIETIES

Trading as Making Music

Annual Report and Financial Statements

For the year ended 31 December 2023

Company Number 308632

Registered Charity in England and Wales Number 249219

Registered Charity in Scotland Number SC038849

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Bristol Reggae Orchestra



Kings Langley Community Choir performing at a library

Reference and administrative details

Name of Charity	National Federation of Music Societies trading as Making Music	
Company Number	308632	
Charity Number	249219 (England) SC038849 (Scotland)	
Principal Office & Registered Office	8 Holyrood Street London SE1 2EL	
Directors and Trustees	Rhiannon Harrison Dorothy Wilson MBE FRSA Clare Birks Peter Burchill Andrew Devine Robert Guest Paul Graham Edward-Rhys Harry Nick James Paul McKinley Kathy McLeish Carol Pemberton MBE Andrew Rixon Valerie Taylor Catherine Travers Neil Weir	<i>Chair (from 7 August 2023)</i> <i>Vice Chair (from 7 August 2023)</i> <i>Chair (to 7 August 2023)</i> <i>retired 12 July 2023</i> <i>Vice Chair & Treasurer (to 12 July 2023)</i> <i>Treasurer (from 7 August 2023)</i> <i>appointed 12 July 2023</i> <i>retired 12 July 2023</i> <i>appointed 7 August 2023</i> <i>retired 4 December 2023</i> <i>appointed 12 July 2023</i>
Key Management	Barbara Eifler Alison Reeves Ben Saffell Helen Evans Natalie Joanes	<i>Chief Executive</i> <i>Deputy Chief Executive</i> <i>Membership & Operations Director</i> <i>Finance Director</i> <i>Communications Director</i>
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ	Flagstone Investment Management Clareville House 26-27 Oxendon Street London SW1Y 4EL
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE	
Independent Auditor	Amy S Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House, 198 High Street Tonbridge Kent TN9 1BE	

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited group and parent charity financial statements for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, current statutory requirements and 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) - (Charities SORP).



Music For Everyone perform for 40th anniversary



Dunbartonshire Concert Band's summer concert

Making Music - who we are

Making Music is a charity and the UK association for leisure-time music, with 4,000+ music groups in membership, comprising around 220,000 hobby musicians.

We support members with practical services and artistic development opportunities, connect them with each other, the wider sector and relevant other organisations, and celebrate and advocate for the leisure-time music sector and its benefits - physical, social, psychological, educational, economic - to individuals, communities and policy makers. We seek to ensure that conditions are right for leisure-time music groups to flourish.

Summary of the year

2023 was still not a normal year in terms of groups' finances (reflected in membership subscription levels); there also remained a stronger than usual anxiety around retaining and recruiting participants and the return of audiences, particularly those aged 65+.

In 2023 Making Music launched its new 5 year plan (see next page). It was published as a 'strategy tree', easy to read and digest for members, staff and Board. It brings with it a renewed focus on measuring and documenting the impact and value of Making Music's work.

Making Music developed and launched its #MakeSpaceForMusic campaign, to highlight the threats to the crucial infrastructure of hyperlocal, accessible and affordable spaces essential for self-organised community groups making and presenting music. Making Music and members therefore also responded to the Home Affairs Select Committee pre-legislative consultation on the Terrorism (Protection of Premises) draft bill which in its 2023 format was predicted to have unintended negative impact on this kind of infrastructure.

2023 also saw the start of the Arts Council England funding, partly for the INCLUDE project, working in detail with four member groups to understand their challenges around inclusion and access and the support they need to help them open up their activities to a wider range of participants and audiences. Further work on inclusion and access encompassed online sessions, resources and 'Conversation' events with people of lived experience of exclusion.

Internally, our focus on equity, diversity and inclusion (EDI) saw Making Music further develop new staff recruitment methods; review its EDI policy and plan; and start writing an Inclusive Work Culture plan to implement the policy of the same name.

Due to circumstances beyond our control, Making Music had to change the insurance provider underwriting and administering our tailor-made insurance product for music groups. A successful new partnership was developed in a short period of time.

2023 was the first full year of funding from the Esmée Fairbairn Foundation. Due to the demand stimulated by the funded post for the Making Music Platform, this role became full-time. Demand for Orchestra Tax Relief also grew with increased funded support and we also introduced a Theatre Tax Relief service. This funding also supported our work empowering members to advocate themselves for their activity to policymakers and stakeholders. For more detail, see the report below.

The whole year had a strong focus on the new website and digital delivery portal project, requiring constant input from many staff members, led by our Membership & Operations Director. This is an important project, both to improve access for members to the services and advocacy we provide and to facilitate Making Music's own sustainability, by streamlining how we disseminate information and support members and the sector.

Objectives and activities

What does Making Music do?

- **Support members:** practical services, tools and guidance, and artistic development opportunities; facilitating and building connections between members and between members and relevant experts and stakeholders; empowering everyone and anyone to set up and run a resilient and sustainable leisure-time music group, and supporting groups to keep growing, find inspiration and aspire to excellence; celebrating and highlighting our members' achievements; and standing up for their needs with policy makers and other stakeholders.
- **Support leisure-time music:** standing up for and celebrating the leisure-time music sector (of which our members are part) to policy makers so that policy can take into account the individual and community benefits of participating in music as a hobby; and to the general public so that more new people are able to draw down such benefits and may be encouraged to join one of our member groups.

Our new 5 year plan was published in January 2023 and runs until December 2027.

Our belief

We believe in the value of leisure-time music groups (to individuals, communities and society).

Our vision

Everyone has the opportunity to be part of a music group.

Our mission

To support, connect, champion and celebrate groups of people making and presenting music in their communities.

Our values

We are respectful of everyone we connect with
We listen, we care, we are always learning
We are transparent and value the trust we earn
We share and collaborate generously
We do what we say we're going to do
We are facilitators, we empower

Our four aims

- A. Music groups make the most of Making Music as their home and ally
- B. Music groups are more sustainable
- C. Music groups are connected
- D. Leisure-time music is recognised and valued

How do our activities benefit the public?

Our main activities and who we support are described below. All our charitable activities focus on our charitable objective to ‘maintain, improve and advance education by promoting the art and practice and public performance of music throughout the United Kingdom and in other countries’ and are delivered to further that charitable purpose for the public benefit. The trustees have complied with their duty to have regard to the Charity Commission’s guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

The trustees are confident that Making Music’s activities offer public benefit:

- All individuals in society have the potential to benefit from the activities of Making Music, for example its publicly available search facility on the website (‘Find a Group’), and from the activities of its members, either by joining a leisure-time music group or experiencing their performances, workshops and other events.
- Making Music’s advocacy work is of benefit to all, whether or not they are involved in music already, by seeking to maintain or establish an environment in which live music-making by and for everyone can flourish and be available to participants and audiences in communities across the UK.
- There are no restrictions on membership of Making Music, any leisure-time music group can become an Associate Member, although Full Membership is restricted to not-for-profit constituted groups.
- Financial assistance with joining Making Music is considered in cases of individual hardship. Since 2015 Making Music has had a specially reduced rate (50% discount) for new groups just setting up and for youth groups (25%) where participants are 21 or under.

How does society benefit?

Leisure-time music groups made up of hobby musicians create many benefits for the individuals taking part in their musical activity; for the individuals experiencing the resulting performances; and for the communities in which they are active.

- **For individuals**, there is now a large and growing body of research which provides clear evidence of the social, educational, psychological, and biological (physical health and well-being) benefits of group music activity.
- **For society**, there is a developing evidence base to show that connectedness across socio-economic and cultural divides within communities through group activity brings many benefits to a local area, including making it a more desirable place to live and work, contributing to place-making and regeneration.
 - Leisure-time music groups also raise millions of pounds annually for local charities and community resources
 - For their audiences, the events our members present may be the only locally available and accessible live music, so for them, too, there are social, educational and well-being benefits
 - These locally created and promoted events also play a significant part in generating pride of place and raising the ambitions of a community
- **For the economy**, these groups collectively have a significant financial impact. Whilst small individually (63% have a turnover of below £14.5k a year), they are estimated to be around 13,500 in number across the UK, comprising around 800,000 participants. 98% of them engage professional musicians in some capacity (conductors, soloists, accompanists, etc.), with fees an estimated £116m a year; commissioning 1200 new pieces of music and

600 arrangements annually; spending significantly with suppliers such as music publishers (£5.7m a year), retailers (instruments, accessories), on promotion, etc.

All these benefits are created by very small groups led and run by volunteers. Making Music's support enables them to continue providing these benefits to individuals and society and facilitates more and different people benefitting by joining or setting up such music groups.

“ We have found being a member of Making Music to be invaluable; we have made good use of your resources provision and also PDGYA young musicians, who have been excellent. We will be using Making Music Platform in 2023 which will greatly help us with administrative issues as well as advertising us to the wider community. ”
Making Music is excellent value for money.

- Making Music member

Thanks

The Board would like to thank the staff throughout the UK who continue to put in huge efforts on behalf of members. We are fortunate that every member of staff is deeply committed to the cause of live music-making in communities. In 2023, they continued tirelessly to support members and respond to their needs.

Our thanks also go to the funders who supported activity during 2023. These are: Esmée Fairbairn Foundation, Arts Council England (ACE); Creative Scotland; PRS Foundation; Philip & Dorothy Green Music Trust.

Making Music also owes its volunteers a large debt of thanks and would like to take this opportunity to thank them and pay tribute to their dedication and enthusiasm:

1 President, 13 Board members, 2 Music Bank volunteers.

We also have a 'bank' of 72 Listeners standing by to help benchmark professional performers and small ensembles when our Recommended Artists Guide goes online with the new website in 2024 - thank you to them for their patience during this temporary suspension due to website development.

Thank you also to the members who generously volunteer their expertise or practical help on various occasions when we put a call out.



Exeter Festival Chorus in rehearsal



Regent Brass Band, Camden Brass Band and Robin Fiedler at a Adopt a Music Creator workshop

Achievements and performance

Our new 5 year plan can be found here: <https://www.makingmusic.org.uk/about-us/annual-report-and-accounts>

1. Supporting members

A. Music groups make the most of Making Music as their home and ally

This aim is about ensuring that music groups are aware of the full range of support available to them through their membership of Making Music and that they know how to access that offer. In 2023, Making Music was focussing on the first part of that aim; the foundations for the second part were being laid by the work on the new website and digital delivery portal which will make it easier for members to find and access the support relevant to them and which will launch in 2024.

- **WHAT WE DID:**
 - **Event:** Making the most of your membership, 82 attendees
 - **Four information emails** on resources, 25,342 open rates/2,206 click throughs
 - One information email **specifically to promoter** members, 930 open rates/101 click throughs
 - Articles/listings for membership services and resources in print magazine *Highnotes*, published three times a year and sent to members
 - Monthly email newsletter *iNotes* and separate Wales, Scotland, Northern Ireland updates highlighted resources and events
 - Fortnightly broadcast emails about Making Music's events for members
 - Sharing of relevant resources and other support available during each of Making Music's online events in the year
- **RESULTS IN NUMBERS:**
 - **Total views of resources** in 2023: 189,932 (2022: 182,230)
 - Number of **registered users on website per group:** 4 (average) (2022: 4)
 - **Over 2,262 phone calls with 1,111 groups** (2022: over 1,764 calls with 1,054 groups)
 - **Member interactions registered** on Customer Relations Management system: 7,986 with 1,968 groups (2022: 7,486, with 2,029 groups)
 - **We buddied up member groups to share their learning** on specific services: in 2023, we made 67 (2022: 50) connections between 134 (2022: 100) groups - 58 (45) regarding of Making Music Platform, 9 (5) regarding Orchestra Tax Relief

B. Music groups are more sustainable

This aim has four objectives sitting underneath it.

- 1) **Financially resilient**
- 2) **With robust governance**
- 3) **Open to change; embracing new opportunities**
- 4) **Skilled: prepared for a digital future**

1) Financially resilient

This objective is about helping music groups maximise their income, minimise their costs and have the right tools and support at their disposal to manage their finances.

- **WHAT WE DID:**

- Added **Theatre Tax Relief (TTR) service**
- **Event on Gift Aid**, 44 attendees
- **2 Treasurers' Networks** held, 74 attendees
- **1 new resource (Financial Policy template)**, 388 views from 228 users
- **Orchestra Tax Relief case study**, 111 views
- Changed insurance brokers and underwriters for **members' insurance scheme** in order to maintain excellent service and product for members
- Spent down the remaining monies in a designated fund to **subsidise volunteer promoters** presenting professional artists
- First year of **revised Philip & Dorothy Green Young Artists scheme** - simplified to reduce administration costs, widened to include more young artists, increased accompanying subsidies to support groups better
- Renegotiated **Recommended rates for engaging professional musicians** with Musicians Union, 1,861 views
- Promoted our **corporate members' discounts**, to help groups manage their costs, with 6 resources, via monthly iNotes and blogs
- **2 events on income generation (Applying for funding)**, 115 attendees
- **Informed members of specifically relevant funding**, via our **Funding Finder tool** (43 new entries, 2022: 191), via **email/meetings** (Know your Neighbourhood fund; Power of Music funding). **Funding Finder tool**, 4,461 views (2022: 4,544)

- **RESULTS IN NUMBERS:**

- 66 (2022: 55) members used **OTR**
 - £413,000 was paid out to members under this tax relief (2022: £174,000)
 - 12 (15) members newly registered to use the service during 2023
- 2 members used **TTR (new)**
 - 5 members registered to use the service during 2023
- 93% of members took **insurance** in 2023 (2022: 93%)
- **Funding Finder tool**, 4,461 views (2022: 4,544)
- 47 **promoters** supported with subsidy between 2021 and 2023
 - 18 had never previously claimed a subsidy
 - £4,711 paid out in total over 3 years
- **Philip & Dorothy Green Young Artists** subsidies - 2023 available funds spent.
 - 40 groups used (2022: 32)
 - 11 had never previously claimed this subsidy (2022: 9)
 - £4,850 paid out (2022: £6,050)

Relevant resources and events were regularly highlighted in broadcast emails, in monthly email newsletter *iNotes* and in the print magazine *Highnotes*.

2) With robust governance

This objective is about supporting music groups to choose and put in place the most appropriate legal structure, to be compliant with any relevant legislation and regulations; and to have the right (and right number) of volunteers to run and govern their group.

- **WHAT WE DID:**

- 2 events on **Performing Rights Society (PRS)** rules and royalties, 141 attendees
- Launched **MM Safe service**, in partnership with Brass Bands England, which makes administration and management of child licensing requirements easier for groups wishing to include young people regularly in their activity or perform with them for their events. Includes safeguarding training.
 - **1 event**, 35 attendees; recording, 97 views
 - **New resource on MM Safe**, 447 views

- **RESULTS IN NUMBERS:**

- **Charity/CIO registration**, used by 17 groups (2022: 27)
- **PRS resources and declarations/royalties collection service**
 - Resources viewed 9,382 times (2022: 6,682)
 - £96,318 royalties collected from members (2022: £78,271)
- **Safeguarding**
 - MM Safe used by 8 members
 - MM Safe and other safeguarding resources, 3,991 views (2022: 2,328)
 - 304 DBS checks carried out (2022: 290)
 - 20 groups undertook specially developed online safeguarding training

Relevant resources and events were regularly highlighted in broadcast emails, in monthly email newsletter iNotes and in the print magazine Highnotes.

3) Open to change; embracing new opportunities

This objective is about supporting music groups to adapt to changing circumstances and manage change within their groups to keep flourishing.

- **WHAT WE DID (supporting groups to be more inclusive)**

- **3 general Access & Inclusion events**, 107 attendees
- **2 Conversation about Inclusion events**, 86 attendees; these conversations are online events held with people with lived experience, allowing members to ask questions and hear from someone affected by exclusion. The 2023 events were about including LGBTQ+ people, and blind/partially sighted people
- **1 guest speaker event**, Preventing and managing hearing loss, 207 attendees
- **Access & Inclusion working group**, 2 meetings, 10 attendees
- Launched the **INCLUDE** programme, an Arts Council England funded project which supports 4 member groups over 2 years to create policies, set themselves goals and attract a wider range of people to their group. This deep dive learning is then collected and reported on by Making Music to be disseminated to all members; the project started with a **launch event**, 67 attendees, **recording**, 44 views
- **Census Comparison Survey** launched, facilitating groups to collect, analyse, benchmark participants' and audiences demographic data, used by 6 groups, **resource** 86 views
- **7 new resources**, 2,123 views by 619 users
- **Equality, Diversity and Inclusion policy and plan templates**, 673 views

- **WHAT WE DID (supporting & encouraging musical development & trying new activity):**

- Delivered **Adopt a Music Creator** project, matching 7 groups with a music creator each for a year; reimagined to ensure wider impact and legacy, from 2024; 17 applications from members (2022: 18)
- **1 double page feature in Highnotes magazine on Commissioning new music**
- **Resource** on working with professional musicians, 86 views
- **1 event** on touring with your music group, 38 attendees

- **1 case study** on touring, 162 views
- **9 news items or blogs** on various opportunities for music groups
- **Music bank** is a tool to research repertoire, access free programme notes and exchange sheet music with other Making Music members
 - 18,935 artistic works listed (2022: 18,777)
 - 12,364 items of sheet music available through member-to-member exchange (2022: 13,243)
 - 5,707 programme notes available free (2022: 5,693)
 - 40,647 Music Bank webpages viewed (2022: 23,069)
- 64,726 views for the **Musical Vacancies** pages (2022: 54,074)
- **WHAT WE DID (helping volunteer promoters adapt, incl. their subscription models):**
 - **1 event on subscription & ticket selling**, 47 attendees
 - **2 promoter network meetings**, 29 attendees
- **WHAT WE DID (helping groups engage with Social Prescribing):**
 - **1 event on social prescribing**, with Singing for Health Network, 166 attendees, recording, 130 views
 - Reviewed **2 Social Prescribing resources**, 603 views
- **WHAT WE DID (helping members adapt to and influence on climate change)**
 - **2 Climate Change network meetings**, 28 attendees, recording, 52 views
 - Continued to add **resources and signposting** to webpage, 139 views
 - **1 blog about Climate Change resources**, 201 views
 - Introduced new **Green Award**, which received four nominations, the winner chosen by a panel, was Derwent Brass

Relevant resources and events were regularly highlighted in the monthly email newsletter iNotes and the print magazine Highnotes.

4) Skilled: prepared for a digital future

This objective is about supporting members to be able to take advantage of the new digital world and all its tools in order to help their group to flourish

- **WHAT WE DID**
 - **Making Music Platform**; this online admin tool and public-facing website template is available to members at an affordable price and supported by a full-time team member. It helps members manage their administration more efficiently and communicate better externally and internally.
 - 340 users (2022: 250)
 - 93 new ones set up (2022: 72)
 - **2 events**, 184 attendees, recordings, 296 views
 - **2 resources**, 4,151 views
 - **Case study**, 141 views
 - **Digital marketing skills:**
 - **5 events**, 256 attendees
 - **Other digital skills:**
 - **1 event (Dorico software)**, 14 attendees
 - **Online banking**; it would support groups' efficiency to use online banking, but during 2023 it became clear that there are obstacles to this due to way that most banks treat charities and unincorporated associations. Making Music supported a national survey on this topic in early 2024.

C. Music groups are connected

This aim is about connecting groups to new and more participants and audiences, connecting them within their communities, and connecting them to each other for peer-to-peer support.

There are four objectives sitting underneath this aim:

- 1) Music groups are visible to potential participants
- 2) Music groups are visible to potential audiences
- 3) Music groups are networked in their communities
- 4) Music groups are sharing with and learning from fellow members

1) Music groups are visible to potential participants

This objective is about helping members recruit, welcome and retain new participants.

• WHAT WE DID

- 1 event, 51 attendees
- 4 new/reviewed resources (one a 5 part toolkit), combined 3,513 views
- 1 case study, Llysfaen Singers, 339 views
- 48,002 Find a Group pages viewed (2022: 48,870)

• BENCHMARK NUMBERS (to follow up over period of 5 year plan)

- Average number of participants per performing group: 2022 - 61 (2016 - 57)
- Average number of subscribers per promoter group: 2022 - 92 (2016 - 86)

2) Music groups are visible to potential audiences

This objective is about helping members understand and grow their audiences; 2023 saw the start of this work, but we expect to focus on it more strongly from 2025

• WHAT WE DID

- 1 event *How to attract new audience members*, 56 attendees
- 1 event *Access and inclusion solutions for event organisers*, 14 attendees
- 5 events on digital marketing, 256 attendees
- 2 resources, 276 views
- 60,263 Events pages viewed total, including MM events (2022: 66,733)

3) Music groups are networked in their communities

This objective is about helping members build connections in their communities, for a variety of reasons: to raise awareness of their activity with potential participants and audiences, to enhance their standing and value to their communities, to ensure local stakeholders and policymakers know of groups' activities and value to the area.

• WHAT WE DID

- 1 event, 60 attendees, recording, 150 views
- 1 case study, 287 views
- Promoted opportunities - Make Music Day (1,054 views, 2022: 1,024), Learn to Play, Fun Palaces, 'get involved' webpages 1,220 views (2022: 1,088)
- Opportunities and tips for connections were regularly highlighted in the monthly email newsletter *iNotes* and print magazine *Highnotes*.

4) Music groups are sharing with and learning from fellow members

This objective is about encouraging peer learning through online member meet-ups, specific networks, buddying up, sharing survey results about the membership with the membership.

• WHAT WE DID

- Encouraged members to stand as trustees for the Making Music Board; **1 event**, 16 attendees
- **Online member networks**, 3 each for Wales, Northern Ireland, Scotland, 44 attendees, 2 general ones for everyone, 51 attendees, Annual General Meeting, 28 attendees
- **Facebook group for MM Platform users**, 162 users, 116 posts
- **Buddied up members on specific issues**, in 2023, we made 67 (2022: 50) connections between 134 (2022: 100) groups - 58 (45) regarding Making Music Platform, 9 (5) regarding Orchestra Tax Relief

Summary support work - data overview

- **127 new or updated online resources** (2022: 96)
- **139,861 total page views of resources pages** (2022: 155,030)
- **1.09m total website page views** (2022: 1.06m)
- **3,745 received Highnotes** (print magazine; distribution changed to one hard copy only per group, instead increased digital dissemination and promotion) (2022: 6,890), 614 digital views of Highnotes
- **13,887 on iNotes** (monthly email newsletter) **mailing list** (2022: 12,805)
- **10 updates to members in Scotland**, 6 to members in **Wales**, 4 to members in **Northern Ireland**
- **207 broadcast emails to 834,085 recipients** (2022: 194 to 816,251)
- **53 online events for 2,303 attendees** (2022: 63 events for 2,359 attendees)
- We also communicated with our members and the wider leisure-time music, music and charities sector via **extensive use of social media**, to ensure our activities are available to the widest possible number of potential beneficiaries. Some statistics:
 - Facebook, posts 91, engagements 5185
 - Twitter/X, posts 368, engagements 5165
 - Instagram, posts 68, engagements 668
 - LinkedIn, posts 37, engagements 372
 - We also have a presence on Threads, YouTube and SoundCloud

“

Making Music were invaluable [for claiming Orchestra Tax Relief] in having template documents and associated guidance notes to enable the corporate entity to be set up with appropriate contractual arrangements with the charity. They then helped with the production of the draft accounts and supported us through the claim to HMRC at every stage. We would not have got there without Making Music's help.

”

- Making Music member

	Info & Advice events	General meetups (incl. in nations)	Guest speaker events	Other events	All events
No. of events	20 (29)	18 (17)	6 (14)	9 (3)	53 (63)
Total number of event attendees	963 (989)	242 (422)	650 (660)	448 (230)	2303 (2359)
Unique attendees	807 (802)	199 (330)	522 (591)	98 (65)	1636 (1626)
First-time attendees	526 (396)	128 (95)	319 (289)	52 (43)	1025 (823)
Average attendance per event	48 (34)	13 (24)	108 (73)	50 (29)	43 (37)

Event feedback:

70% of attendees said they would probably or definitely do something differently or try something new as result of attending an event.

74% of attendees rated events overall at 8 or higher (out of 10).

2. Supporting leisure-time music / supporting members

D. Leisure-time music is recognised and valued

This aim is about ensuring that leisure-time music is recognised and valued.

There are five objectives sitting underneath this aim:

- 1) Making Music members know how to advocate on their own behalf
- 2) There is a louder collective voice
- 3) Leisure-time music is defended against threats; and conditions enable it to thrive
- 4) The breadth and richness of leisure-time music activity is celebrated
- 5) Data & research about leisure-time music are collected and promoted; and benefits highlighted

1) Making Music members know how to advocate on their own behalf

This objective is about empowering music groups and giving them the right information and tools to be able to make their own case to the relevant policymakers, regulators and stakeholders in their communities.

• WHAT WE DID

- 1 event about town and parish councils, 31 attendees, recording, 75 views
- 1 event about the health benefits of taking part in the arts, 113 attendees, recording, 151 views
- 1 event about social prescribing, 166 attendees, 130 views
- 1 event about threats to spaces for regular activity, 37 attendees
- 6 training sessions for staff (CEO & managers in the nations), to enable them to share knowledge with members and enhance their own ability to advocate
- 4 articles in **Highnotes** (print magazine, 3 times a year), 23 items in **iNotes** (monthly email newsletter) and total of 20 **area updates to UK nations**
- **Update at the start of each online event** includes at least one item on current advocacy, lobbying or consultations

2) There is a louder collective voice

This objective is about ensuring that Making Music is connected to and collaborates with others, to amplify our voice on behalf of our members and the leisure-time music sector.

• WHAT WE DID

- Continued convening, chairing and growing **Singing Network UK**, a loose network of networks & organisations with an interest in singing, meets online.
 - 2 new members joined in 2023 (Quartet of Nations, Peterborough Sings!)
 - 1 meeting, with speakers from Peterborough Sings!, Composers Edition, Royal Schools of Church Music, and topics including International World Choir Symposium
- Convened a new **Community Spaces Network**, with Creative Lives, to support campaign on accessible, affordable local spaces for community activity
 - One meeting in 2023, 15 attendees (by invitation; relevant networks)
- **External events attended by staff:** the purpose is to raise the visibility of leisure-time music with others & make contacts for collaborations or campaigns.
 - **Attendance:** Association of British Orchestras conference & Scotland meetings; Music and Drama Education Expo; National Music Council; Music Education Council (England); Music Education Partnership (Scotland); Royal Philharmonic Society Awards; Classical Sheffield; Scotland Cross Party Groups on Music, and on Culture & Communities; Wales Cross Party Group for Music; Music Partnership Forum Wales; Association of British Choral Directors conference; Military Wives Choirs research launch; What Next? meetings; Campaign for the Arts meetings; Team London Bridge's Climate Change network; Music Publisher Association Christmas lunch & summer event; Scottish Council for Voluntary Organisations (SCVO) Gathering; Scottish Community Link Worker network; Culture Counts (Scotland); Arts Council Northern Ireland strategy consultations; All Party Group for the Arts (Northern Ireland); Independent Society of Musicians' summer event; PRS for Music summer event; Amateo events; member events; UK Music summer event; Scottish Classical Music Sustainability Group; Creative Lives' meetings; Music For Youth festival; Scottish Government Local Governance review; Charity Finance Group London members meeting; Clore Cultural Governance Forum; Ivors Classical; Arts & Humanities Research Council event on fund for Public Engagement with Music research
 - **Spoke at:** Peterborough Sings! Male Voice Choir conference; Scottish Parliament Culture Committee's inquiry into Culture and Communities; on BBC Radio 4's Today programme as speaker for guest editors, members the Dunbartonshire Concert Band; two sessions of Jazz Promotion Network conference; New Surrey Performing Arts Library thank you event; **presented** Sir Charles Groves Prize to Charles Hazlewood of Paraorchestra; **hosted** day for CEOs of membership organisations
- **External connections**
 - (CEO) Treasurer, **Amateo**, European Network for participation in cultural activities; (Deputy CEO) Treasurer, National Music Council; (CEO) Chair, Make Music Day UK; (CEO) trustee, Music Libraries Trust; (Events Manager) trustee, New Surrey Performing Arts Library (until Sep'23)

- **Meetings additionally with**
 - Venue St George's Bristol; English Folk Song and Dance Society; Natural Voice Network; #WeAreMusic; PRS Foundation; lead for National Plan for Music Education Wales; Minister for the Economy (Wales); Brass Bands England; McKinsey's; consultants for Arts Council England South East, National Operatic & Dramatic Association, Orchestras Live!; Scottish Culture Minister civil service team; Theatre & Dance NI; UK Music; Creative Lives; PRS for Music; Hand in Hand Festival; Musicians Union; F-list for Music; Hull University; Newcastle University; Royal Scottish Academy for Music and Drama; Together Coalition; Scottish MSPs; Deputy Minister for Arts Sports and Tourism (Wales)

3) Leisure-time music defended against threats; conditions enable it to thrive

This objective is about reactive advocacy - responding to perceived threats, e.g. potential unintended consequences of new regulation or legislation; and about proactive advocacy - setting out to improve conditions for leisure-time music groups. In 2023, as is often the case, reactive and proactive were different sides of the same coin when it came to community spaces used by the leisure-time music sector.

- **WHAT WE DID - reactive**
 - **Terrorism (Protection of Premises) Draft Bill**, pre-legislative consultation by the Home Affairs Select Committee.
 - Alerted members and published *briefing document*, 22 views
 - 8 case studies received for inclusion in Making Music submission; a further 8 members submitted directly
 - Collaborated with **organisations representing community spaces** to discuss implications of bill and potential unintended consequences
 - **Home Affairs Select Committee** received a third of submissions from the community sector (including Making Music and its members); recommendations to government included looking again at some of the bill's provisions for small community spaces
 - **RESULT** In the autumn King's Speech, **government committed to a further consultation** on the effect of the draft bill on smaller premises before it goes to parliament
 - **Performing Rights Society new Live Classical Music Tariff**, this was consulted on pre-Covid when Making Music and many members responded to their consultation. The conversation was picked up in 2022 and led to a new tariff in 2023.
 - **RESULT** New tariff lower than the one originally proposed; 50% reduction to amateur groups
 - **Campaign to stop Orchestra and Theatre Tax Reliefs reverting from 50% to pre-Covid levels of 25%**; we supported the work done by the Association of British Orchestras on this, supplying them with data and case studies which featured in their submission to Treasury for the March budget
 - Submitted to **HMRC Charity Tax Compliance Consultation**. HMRC recognised the potential impact on small, volunteer run charities in their response
 - Supported submission by Charities Tax Group and National Council for Voluntary Organisations (NCVO) on the **Digital Markers, Competition & Consumer Bill** which unintentionally threatened the claim of Gift Aid on membership subscriptions. Data provided by members was included in the National Council for Voluntary Organisation's briefing to the House of Lords. This has led to amendments to the bill now being tabled.

- **WHAT WE DID - proactive**

- **#MakeSpaceForMusic campaign** launched in 2023, to address the long-term and increasingly acute problem facing community groups to find accessible and affordable spaces for their regular activity in their local area.
 - **1 event** for members, 37 attendees
 - Inaugural meeting of new **Community Spaces Forum** for building owners'/managers' networks, 15 attendees; to facilitate coordination and collaboration, highlight the impact and value of this infrastructure, and influence for its maintenance, preservation and creation, where absent
 - **1 leaflet for use by members**, explaining to building owners/managers about the benefits of music groups as tenants; sent to all members with *Highnotes* magazine late 2023
 - Double page feature in magazine *Highnotes*
- **Music libraries:** (affordable and local provision of multiple copies of sheet music via the public library system) this important infrastructure for music groups continues to be under threat, particularly due to local authority finance crises
 - Making Music CEO continues as trustee of the **Music Libraries Trust (MLT)**
 - Co-wrote **MLT's Music Libraries Vision**, published 2022
 - **Celebratory blog on music libraries**, shared on social media, 272 views
 - **RESULT** meeting with Arts Council England (ACE) Director for Libraries and Director for Music; commitment from ACE to act as convener in order to foster greater coordination and chances of preservation for these services
- **Elections and politicians:** formulated 3 asks for members to use, as they wished, in the run up to local elections in England and Northern Ireland in May 2023
- **7 blogs or news items on advocacy matters and consultations**

4) The breadth and richness of leisure-time music activity is celebrated

This objective is about increasing the visibility of the leisure-time music sector and showing how diverse it is and what it does well.

- **WHAT WE DID**

- **Making Music Awards**, celebrating Making Music members and the professionals and volunteers working with and supporting them
 - **Best Music Creator** for a leisure-time music group: Richard Blackford, for *Babel*, for Camden Choir
 - **Best Arranger** for a leisure-time music group: Fran Carter, for *Treat People With Kindness*, for Vocal Dimensions Chorus
 - **Best Project with New Music:** Glasgow School of Art's **Composeher** project, commissioning 7 female composers
 - **Lady Hilary Groves Award:** Christopher Green, from member Trianon Music Group, for making a significant contribution to the musical life of his community over 6 decades of leadership
 - **President's Award:** winner decided by online open voting Brian Woolley, volunteer for Blackheath Choir for over 40 years
 - **NEW Green Award:** Derwent Brass, highly commended: Maldon Orchestra
 - **Sir Charles Groves Award:** Charles Hazlewood, of Paraorchestra, for showing that disability was not a barrier to music-making and thus making a significant contribution to the musical life of the UK
 - The winners were announced by Making Music President Debbie Wiseman OBE at an **online ceremony**, 73 attendees
 - **Press release**, 217 views, 46 uses in mixture of media

- Created **broadcast opportunities** to showcase members:
 - **Classic FM** annual broadcast of carols by 5 Making Music groups showcased in week before Christmas: *Aberdeen Sweet Adelines; Llandaff Cathedral Choral Society; London Oriana Choir; The Sunday Boys; Uckfield Concert Brass*
 - **BBC Radio 3's** broadcast of 4 Adopt a Music Creator projects' new pieces, From Dawn to Dreams performed by Aldworth Philharmonic Orchestra and Reading Youth Orchestra (composer: Caitlin Harrison); Dream big for tomorrow performed by Camden Symphony Orchestra (composer: Claire Victoria Roberts); Rhymes & Recollections performed by Aberdeenshire Saxophone Orchestra and Ugie voices (composer: Ben Lunn); Brushstrokes performed by Bedfordshire Woodwind Academy Flute Ensemble (composer: Edgar Divver).
- Created **showcase opportunities** for groups: on **Make Music Day** (21 June) - Scottish Parliament; Enniskillen (NI); Wrexham (Wales); England -Big Wind Orchestra and Choir, London. Some of these contributed to the UK segment of the worldwide 12 hour broadcast coordinated by the Make Music Day UK team.
- **Promoted leisure-time music groups** via our online *Find a Group tool*, our *Events calendar*, our communications, including *Highnotes* magazine, *iNotes* e-newsletter, *press releases*, *social media*.
 - **Find-a-Group** 48,002 page views (2022: 49,973)
 - **Events pages** 60,263 views (2022: 71,703)
 - **3 editions of Highnotes**, featuring more than 47 members overall
 - **12 editions of iNotes and 20 nation updates**, with 18+ celebratory items
 - **10 blogs on the Adopt a Music Creator projects**, 572 views
 - **22 other blogs/news items about members**, 5,473 views
 - **7 press releases**, 242 recipients, 460 click-throughs, 46 uses
 - **Social media**, see statistics above
- Contributed nominations to the **Royal Philharmonic Society's Inspiration Award** and the Making Music Chair was part of the shortlisting panel
- We were able once again to secure the support of **Debbie Wiseman OBE as President of Making Music**, to act as ambassador and figurehead for Making Music and its members.

5) Data & research about leisure-time music is collected, promoted; benefits highlighted

This objective is about making sure that Making Music and its members, and others in the leisure-time music sector, have as much evidence, research and information as possible at their fingertips demonstrating the size, breadth, impact and benefits of leisure-time music activity for individuals and communities. This will support advocacy of all kinds.

• WHAT WE DID

- **1 event** focussed on research, Dr Karen Mak of the Social Biobehavioural Research Group and the World Health Organisation Collaborating Centre for Arts & Health, based at University College London (UCL), presented highlights from their report, 'Arts and Health across the lifespan: findings from major US & UK cohort studies 2017-2022', 113 attendees; **recording**, 57 views
 - **2 pieces of evidence** added to the evidence bank

The information held on our website is due to be thoroughly reviewed and restructured for the new website relaunch in 2024.

Summary of membership data

We benefitted **0.8% (2022: 2.2%)** more groups:

- 3,279 full members (2022: 3,266)
- 330 associate members (2022: 323)
- 439 affiliate members (2022: 427)
- **TOTAL 4,048 (2022: 4,016)**

This breaks down into:

- **2,167 singing groups** - 54% of members (2022: 2,181 54%)
- **1,486 instrumental groups** - 37% of members (2022: 1,432 37%)
- **395 promoters** - 10% of members (2022: 404; 10%)

Groups' annual income on which their subscription for 2023 (2022 in brackets) was based:

- **Less than £7.2k: 54%** (2022: 65%)
- **£7.2k-14.5k: 22%** (18%)
- **14.5k-£21k: 9%** (7%)
- **£21k-£31k: 6%** (4%)
- **£31k-£100k: 7%** (5%)
- **More than £100k: 2%** (2%)

2022 income brackets still showed a clear Covid impact (when groups' turnover generally collapsed); when groups renewed for 2023, this effect was still visible, but to a lesser extent. **By the time groups renewed for 2024, the impact of the 2020/21 Covid-related standstill in activity was no longer in evidence.**

Plans for future periods

2024

Aim - Leisure-time music is recognised and valued: we will balance reactive and proactive advocacy, continue to celebrate members, and feature collated evidence and data more strongly on our new website. Some priorities:

- Campaign to **extend Orchestra Tax Relief to choirs** by making 'voice' one of the instruments
- Continue to highlight the **need for (and threats to) hyperlocal affordable spaces for community activity** such as making and presenting music
- Continue to help find creative local solutions when **music libraries** are under threat
- Work to support other organisations campaigning to reform **banking for small charities**
- Follow progress of **Martyn's Law (Terrorism bill)** through parliament
- Collate and share **research and data on the new website**

Aim - music groups are connected: we will continue to focus on helping members recruit and retain participants, grow their audiences, become better connected in their communities (signposting to relevant opportunities) and learn from each other. With the launch of the

new website, it will become easier to buddy up members with each other; but we will also continue our very popular online events which connect members.

Aim - music groups are more sustainable: we will focus strongly on helping members

- become financially more resilient; encouraging them to look holistically at their income, and claim Orchestra Tax Relief & Gift Aid, and supporting their Treasurers
- improve their governance; supporting legal status reviews; succession planning; and facilitating difficult conversations when challenges arise in a management group
- be open to and embrace change; conclude the INCLUDE project and disseminate the learning in early 2025; signpost to new opportunities; make the case for continual development; support change makers with a new Chairs Network
- streamline their processes and improve their online presence; increasing our capacity to offer Making Music Platform to more members; delivering more digital skills training; exploring the possibilities and challenges of AI for members

Aim - music groups make the most of Making Music as their home and ally: our main focus here for 2024 is to launch the new website and then roll out information and training to members, so they are able to make the most of it very quickly.

Organisationally, Making Music will focus on:

- **delivering the new website (due August 2024);** this strategic project is crucial for members' and Making Music's future resilience, enabling members to make the most of our resources and services and enabling Making Music to reach more groups and strengthen its voice. It is therefore our view that investing in the new website is a responsible use of our reserves and of staff resource for the preparation and development, as it furthers our purpose to support the leisure-time music sector
- **increasing our membership;** so that we may strengthen our representative voice and be able to deliver greater value to more individuals and communities by empowering and supporting the volunteers who run music groups, enabling groups to thrive
- **continuing our work on becoming an inclusive and diverse organisation,** able to welcome the most talented people to join us and support them to flourish and develop

Financial review

Financial result for 2023

Making Music welcomed a return to positive net income in 2023, reflecting the improved environment for our members to re-establish their activity following the Covid-19 pandemic. While grant income supported the turnaround to total net income of £98,009 (2022: total net expenditure of £71,534), we also re-established an underlying net operating income position.

Total income of £928,990 (2022: £702,779) included membership subscription income of £493,521 (2022: £450,454). This, our largest income stream, moved towards a more usual pattern but being based on our members' income in the preceding year, it has taken until 2024 to fully recover from the pandemic.

As member activity resumed, income from our paid-for member services increased by 36% to £115,951 (2022: £85,147). Funding from the Esmée Fairbairn Foundation enabled us to employ an additional member of staff to meet the demand for our Making Music Platform member website product and supported our Orchestra Tax Relief claim service. Income from this service more than doubled as members benefitted from the extension of enhanced tax relief to invest in new productions and we introduced a new fee structure. We added a new

service this year, enabling our musical theatre and opera members to claim Theatre Tax Relief.

Two unrestricted grants from the Esmée Fairbairn Foundation (EFF) and Arts Council England (ACE) helped support both Making Music and our members' return to financial independence and contributed to the long-term health of the sector by funding new work to help our groups identify and remove barriers to retaining and attracting new members.

We benefitted from consistently higher interest rates this year on the cash we hold for membership fees collected annually in advance and on the funds set aside for the new website project.

Total expenditure for the year was £841,299 (2022: £770,619). This increase reflected new grant-funded posts and other time-limited activities. Demand for our member services required additional resource, a proportion of which was externally funded. Our staff team is our most valuable asset and it was necessary to respond to the cost-of-living increase by awarding a salary increase of £1,500 per annum to all staff. Other discretionary costs, particularly on marketing, were capped as we focused on building reserves to set aside for developing the new website and digital delivery portal, due to be implemented in 2024.

Consolidated cash balances of £1,306,065 at 31 December 2023 (2022: £1,312,444) include deferred membership subscription income collected for 2024 and insurance premiums and PRS fees collected from members to be paid over to third parties early in 2024. Net current assets of £536,236 (2022: £606,194) provide a more accurate picture of working capital. The decrease in working capital reflects the investment to date in the development of the new website and digital delivery portal. The development costs to date have been capitalised and recognised as an intangible fixed asset. Amortisation of these costs, over the expected useful life of the website, will begin once the website goes live.

The trading subsidiary, NFMS Enterprises Limited, generated a profit of £38,444 (2022: £12,324) which was donated to the charity under deed of covenant.

Reserves Position

Total funds held at the end of the year were £851,546 (2022: £753,537). This increase reflects the deliberate building and designation of funds for the website and digital delivery portal, as well as unrestricted grant income received in advance for future spending.

Of these funds, £335,200 (2022: £325,275) were held in a permanent endowment fund and £93,107 (2022: £108,952) were held in funds for restricted purposes.

Unrestricted funds of £423,239 (2022: £319,310) included £114,333 (2022: £49,445) held in designated funds to spend on projects in 2024, including £113,112 to complete the development of the new website and digital delivery portal.

The remaining unrestricted general funds of £308,906 (2022: £269,865) include £169,182 (2022: £11,533) which can only be realised by disposing of fixed assets. This leaves free reserves of £139,724 (2022: £258,332).

Reserves Policy

It is the policy of the charity to maintain adequate reserves to cover between 3 and 6 months of unrestricted expenditure, in normal circumstances. This target has been set because the charity has a high committed cost base. Staff costs account for approximately 66% of expenditure, with our staff team vital to providing services paid for in advance by our

members. The second largest cost is office rent, with a five-year lease commitment remaining until June 2025.

Unrestricted funds at 31 December 2023 were £423,239 (2022: £319,310) but after deducting designated funds and fixed assets, the remaining free reserves of £139,724 (2022: £258,332) represent 2.3 months' (2022: 4.9 months') of unrestricted expenditure, excluding depreciation (based on current year figures). This is outside of the parameters of the reserves policy but represents an investment of reserves in future activities for the benefit of our members. With the remaining cost of the website and digital delivery portal fully designated, and a plan to rebuild reserves with net operating income for 2024, this is expected to be a minimum reserve position.

Investment Policy

The Board approved a new Investment Policy in February 2023. The policy recognises two distinct pools of funds available for investment:

- An operating fund comprising surplus unrestricted and restricted funds. The purpose of this fund is to provide sufficient cash to meet the day-to-day financial obligations of the charity. The investment objectives include capital preservation and liquidity which limit the risk appetite for these funds. Funds are held in a mixture of current, short-term and medium-term bank deposits.
- A Permanent Endowment Fund comprising the capital of the Philip & Dorothy Green legacy for young musicians. The fund must balance returns to maintain the capital value of the endowment in perpetuity while providing income for subsidies, grants and awards within the purposes of the endowment. A diversified approach, using a pooled multi-asset fund helps mitigate the risk of volatility and exposure to one sector.

At the beginning of the year, this fund was held in a mixture of short and medium-term bank deposits and the CAF Equitrack Fund. The CAF Equitrack Fund closed in April 2023, realising a capital gain of £5,342. The proceeds of the fund were reinvested in the IFSL CAF ESG Income and Growth Fund (CAF ESG Fund), reflecting the Investment Policy and consistency with the charity's ethical policies and values.

The capital value of the CAF ESG Fund increased by £4,976 over the period to £146,128, (2022: a decrease in the value of the CAF Equitrack Fund of £13,694 to £135,810). The capital value represents an increase of 22% in the amount originally invested (most recent addition in 2016). Investment income earned by the funds in the year was £4,055 (2022: £4,523).

Going Concern

This was a year of recovery following the devastating impact of the Covid-19 pandemic on live music making. With grateful support from external funders, we have been able to invest in services to help our members rebuild their activity and return the charity to a net income position.

Since the end of the financial year, membership retention for 2024 has remained steady, with 94% of member groups renewing their subscription (2022: 95%). The slight fall reflects the delay to opening renewals caused by the need to change the insurance provider for our members at short notice and is believed to be recoverable. Our consistently high retention rate demonstrates both the resilience of our member groups and the value they place on their membership of Making Music.

However, 2023 was still a transitional year as members renewed their subscriptions based on their own income for 2021/2022. 54% of members renewed at the lowest subscription rate for 2023, an improvement compared to 64% for 2022 but not back to pre-pandemic levels. For 2024, 45% members renewed at the lowest subscription rate, demonstrating the impact of the lag in recovery.

We are fortunate that the timing of membership renewals and some other income streams is heavily weighted to the first quarter of the year, giving us highly predictable annual income at the start of the year. By 31 March 2024, 85% of forecast income for 2024 (2023: 88%) had been earned, allowing us to make effective financial plans for the rest of the year.

As our underlying financial position returns to net income, we feel confident to make a significant investment of reserves in a new website and digital delivery portal. This will enhance the service we provide to members, improving their long-term resilience and that of Making Music.

At the date of approving the report and accounts, the Board believes there are no material uncertainties about the charity's ability to continue as a going concern and the financial statements are prepared on a going concern basis.

The Board's Finance & Compliance Committee continues to monitor the economic situation, reviewing management accounts and reforecasts for 2024 and draft budgets for future years on a regular basis.

Other Principal Risks and Uncertainties

The Board has carried out a review of the major risks to which the charity is exposed and has put in place controls and activities to mitigate those risks which are within their control to influence ('strategic risks', 'preventable risks'), and to be prepared for any risks which may be outside their control ('external risks').

In addition, as part of the work for the new 5 year plan, in force since January 2023 and valid until December 2027, the Board and Senior Management Team reviewed the internal risks and priorities for Making Music, to ensure the organisation remains sustainable and able to deliver public benefit and relevant support to the leisure-time music sector.

To achieve the aim of Making Music sustainability, 5 objectives have been identified:

- 1) Grow and broaden membership and membership offer; *this will strengthen Making Music financially and as the voice for the leisure-time music sector.*
- 2) Retain, recruit, develop, support staff team & Board; *Making Music's team and Board are its biggest asset and unique selling point, due to their in-depth understanding and knowledge of the sector; it is therefore crucial to support the team to thrive.*
- 3) Clarify and communicate brand identity; launch & embed new website; *the new website, due to launch 2024, will facilitate members' access to services and resources, reduce uptake of team time, and provide a clearer path for non-members to be guided to membership or to relevant resources, opportunities and campaigns.*
- 4) Rebuild reserves & ensure suitable premises; *as a 10 year office lease comes to an end, a detailed feasibility study has identified the best way forward for the organisation; reserves - plans are in place to grow income generation, to allow rebuilding of the reserves invested in the new website.*
- 5) Document outcomes and impact; *Making Music has developed thorough and detailed plans on how to measure, report on and disseminate the outcomes of its work.*

Risk/type of risk	Impact x Likelihood	Mitigation
Strategic risk: new website project overrun (time, cost)	5 x 3 = 15 (medium)	- Avoid changes to agreed website scope - Prioritise staff resource to focus on website - Back up plans in place
Preventable risk: Lack of financial sustainability	5 x 3 = 15 (medium)	- Prioritise member recruitment & retention - Develop earned income in our control - Help members maximise their income - Contain costs & keep reserves under review - Consider external funding opportunities
Preventable risk: Weak governance and non-compliance	4 x 3 = 12 (medium)	- Ensure vision, mission, objectives and plan clear to Board, staff and members - Invest in Board communications, development, induction - Policies, procedures & processes in place with compliance oversight & training for staff and Board - Keep abreast of regulatory changes and best practice - Seek professional advice where appropriate - Review of risk assessment four times a year
Preventable risk: Infrastructure/ Resources failure	3 x 3 = 9 (medium)	- Strong focus on fit for purpose IT infrastructure; cyber security; secure data management training and processes - Appropriate insurance policies - Best practice HR management, focusing on support and development of staff; prioritise resources on pay & terms
Preventable risk: Reputational damage	3 x 2 = 6 (low)	- External representation guidelines for staff and Board incl. on social media - Emergency media plan in place - Careful consideration of lobbying, advocacy & campaigning - Timely & appropriate response to public comments
External risk: economic (rising costs, local authority crises, infrastructure failure (especially spaces for member activity))	3 x 3 = 9 (medium)	- Regular and systematic monitoring of external environment for potential threats, for Making Music and for members - Regular management meetings to evaluate and respond to changing circumstances for Making Music - Campaigning on #MakeSpaceForMusic and creative tax reliefs on behalf of members, collaborating with others
External risk: technological (AI; skills to maximise digital benefits and minimise online threats)	3 x 3 = 9 (medium)	- Invest in understanding and training in use and implications of AI, cyber security, digital tools - Write policy and strategy on AI for Making Music - Support members with digital skills, cyber security and AI

Structure, governance and management

Making Music's governing documents are its Articles of Association. As well as being a registered charity in England and Wales, Making Music is a registered charity in Scotland and a company limited by guarantee.

Making Music's Board of Directors is made up of 9 trustees elected by and from the membership and up to 5 trustees co-opted by the Board of Directors. The Chair, Vice Chair and Honorary Treasurer are elected by the Board from among their number and can serve in their role for up to two terms of three years each. Co-opted trustees can serve one term of three years each. In March 2024, the Chair, an elected member of the Board, became a co-opted member of the Board when their group ceased to be a member of Making Music.

Every year, a third of elected trustees retire. Retiring trustees can put themselves forward again for election for a maximum two terms of three years each. A call is put out to members for nominations and when there are more nominations than vacancies, an election is held (this is usually the case), with the result announced at the Annual General Meeting.

When a new trustee is appointed or co-opted, they receive a full day induction from the Chief Executive and Chair, including on procedures, policies, strategy, and have an opportunity to meet all the staff of the charity.

Organisation

Overall responsibility for the Charity's strategy and direction rests with the Board of Trustees, which comprises all Directors. The carrying out of day-to-day activities is delegated to the staff under the management of the Chief Executive and Senior Management Team.

A remuneration committee of the Board sets the pay structure for all staff. If applicable, any annual percentage increase is applied consistently to all staff.

Subsidiaries

The charity has a trading subsidiary, NFMS Enterprises Ltd, whose accounts are reported separately, and are consolidated into these accounts.



The Choir With No Name



OUTSINGCANCER Choir performing at a community centre

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and regulations.

The Trustees are the company's Directors. Company law requires the Directors to prepare accounts for each financial year. Under that law they have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

In accordance with company law, the trustees, as the company's Directors, certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board on 22 May 2024.

By order of the Board

Rhiannon Harrison

Rhiannon Harrison
Chair

Opinion

We have audited the financial statements of National Federation of Music Societies (“the parent charitable company”) and its subsidiary (together “the group” for the year ended 31 December 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 25, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory framework applicable to the preparation of the financial statements of the group, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: the Companies Act 2006, the Charities Act 2011, Charities SORP, Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the group's operations and to avoid material penalties, including GDPR, employment law, and health and safety regulations.

Having reviewed the laws and regulations applicable to the group, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with sector experience to perform the audit;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with the laws and regulations;
- Obtained and reviewed meeting minutes;
- Obtained and reviewed correspondence with the regulator;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the group's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the group's systems and controls, including identifying any weaknesses and considering the risk of management override of controls;
- Assessing the susceptibility of the group's financial statements to material misstatements, including considering how fraud could occur;
- Considering if there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they were aware of any actual or suspected fraud;
- Reviewing the accounting policies and accounting estimates for signs of management bias; and
- Identifying key risks relating to irregularities as relating to management override of controls, the completeness of income and deferred income in relation to membership subscriptions, and the judgements used in accounting for the new website costs.

We then designed audit procedures in response to the risks identified, including reviewing journal entries, assessing management estimates and judgements, performing substantive analytical review supported by testing of underlying controls for income and deferred income, and corroborating the website costs accounting treatment to underlying documentation.

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities, including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A S Healey

A S Healey FCA CTA DChA (Senior Statutory Auditor)

For and on behalf of:

Lindeyer Francis Ferguson Limited

Statutory Auditor

Chartered Accountants

North House

198 High Street

Tonbridge

Kent TN9 1BE

Date: 28 May 2024

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023

		2023 <i>Unrestricted funds</i>	2023 <i>Restricted funds</i>	2023 <i>Endowment funds</i>	2023 <i>Total funds</i>	2022 <i>Total funds</i>
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	170,018	71,800	-	241,818	113,198
Charitable activities	4	609,472	-	-	609,472	535,601
Other trading activities	5	45,162	-	-	45,162	39,555
Interest and dividends		19,250	13,288	-	32,538	14,425
Total		843,902	85,088	-	928,990	702,779
Expenditure on:						
Raising funds	6	19,665	-	-	19,665	16,085
Charitable activities	7	733,529	87,712	393	821,634	754,534
Total		753,194	87,712	393	841,299	770,619
Net gains/(losses) on investments	12	-	-	10,318	10,318	(3,694)
Net income/(expenditure) for the year	8	90,708	(2,624)	9,925	98,009	(71,534)
Transfers between funds		13,221	(13,221)	-	-	-
Net movement in funds		103,929	(15,845)	9,925	98,009	(71,534)
Reconciliation of funds:						
Total funds brought forward		319,310	108,952	325,275	753,537	825,071
Total funds carried forward	15	423,239	93,107	335,200	851,546	753,537

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC



CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	10		162,822		-
Tangible assets	11		6,360		11,533
Investments	12		146,128		135,810
			<u>315,310</u>		<u>147,343</u>
Current assets					
Debtors	13	179,602		190,957	
Cash at bank and in hand		1,306,065		1,312,444	
		<u>1,485,667</u>		<u>1,503,401</u>	
Creditors: amounts falling due within one year	14	(949,431)		(897,207)	
Net current assets			536,236		606,194
Total net assets			<u>851,546</u>		<u>753,537</u>
The funds of the charity:					
Endowment funds			335,200		325,275
Restricted funds			93,107		108,952
Unrestricted funds			423,239		319,310
	15		<u>851,546</u>		<u>753,537</u>

The financial statements were approved by the Board of Trustees on 22 May 2024 and were signed on its behalf by:

Rhiannon Harrison

Peter Burchill

Rhiannon Harrison
Trustee

Peter Burchill
Trustee

Company number: 308632

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2023



	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	10		162,822		-
Tangible assets	11		6,360		11,533
Investments	12		146,131		135,814
			<u>315,313</u>		<u>147,347</u>
Current assets					
Debtors	13	200,789		223,761	
Cash at bank and in hand		1,268,892		1,277,141	
		<u>1,469,681</u>		<u>1,500,902</u>	
Creditors: amounts falling due within one year	14	(933,448)		(894,712)	
Net current assets			536,233		606,190
Total net assets			<u>851,546</u>		<u>753,537</u>
The funds of the charity:					
Endowment funds			335,200		325,275
Restricted funds			93,107		108,952
Unrestricted funds			423,239		319,310
	15		<u>851,546</u>		<u>753,537</u>

The financial statements were approved by the Board of Trustees on 22 May 2024 and were signed on its behalf by:

Rhiannon Harrison

Rhiannon Harrison
Trustee

Peter Burchill

Peter Burchill
Trustee

Company number: 308632



**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	A	124,745	(78,704)
Cash flows from investing activities:			
Dividends and interest from investments		32,538	14,425
Purchase of intangible fixed assets		(162,822)	-
Purchase of tangible fixed assets		(840)	(1,540)
Net cash (used in)/provided by investing activities		(131,124)	12,885
Change in cash and cash equivalents in the year		(6,379)	(65,819)
Cash and cash equivalents at the beginning of the year		1,312,444	1,378,263
Cash and cash equivalents at the end of the year		<u>1,306,065</u>	<u>1,312,444</u>
A. Reconciliation of net income / (expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the year		98,009	(71,534)
Depreciation and amortisation charges		6,013	9,627
(Gains)/losses on investments		(10,318)	3,694
Dividends and interest from investments		(32,538)	(14,425)
Decrease /(increase) in debtors		11,355	(106,904)
Increase in creditors		52,224	100,838
Net cash provided by/(used in) operating activities		<u>124,745</u>	<u>(78,704)</u>



1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with "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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Making Music meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Basis of consolidation

The consolidated financial statements incorporate those of Making Music and its wholly owned subsidiary undertaking, NFMS Enterprises Limited. All intra-group transactions and balances are eliminated on consolidation.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group 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.

Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds. Where grants are received in response to a proposal including a budgeted timescale, such that the timescale for the expenditure is implicit in the grant agreement, the income is recognised in accordance with that timescale.

Income from legacies is recognised when there has been a grant of probate, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached are within the control of the charity or have already been met.

Income from charitable activities, including member services, is recognised over the period to which the income relates. Membership subscriptions are recognised on a straight line basis over the term of the subscription.

Gifts in kind are only included in the financial statements when the charity is entitled to them, when it is probable that the charity will receive the economic benefits, and when the fair value or value to the charity, as appropriate, can be measured with sufficient reliability.

Investment income is recognised when receivable. Interest is accounted for as accrued income where it is due but has not yet been credited.

Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Grants payable are recognised when a commitment has been communicated to the beneficiary.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES continued

Expenditure (continued)

Staff costs have been allocated to expenditure headings on the basis of an estimate of the amount of time spent by staff members in each area.

Support costs are those functions that assist the work of the charity but do not directly relate to the charitable activities, and include governance costs. Support costs have been allocated to charitable activities on the basis of direct staff costs.

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 the 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.

The permanent endowment fund relates to a legacy from Philip & Dorothy Green for young musicians. The net income is transferred to a separate restricted fund.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

During the year, the Board approved a new accounting policy for fixtures, fittings and equipment changing from a historic reducing balance basis of between 7 and 33% to a straight line basis. Historic assets which met the definition of leasehold improvements were transferred to a new category and depreciated over the remaining length of the office lease. The trustees believe that both measures are an appropriate and prudent response to the end of the current office lease in 2025.

Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Leasehold improvements	straight line basis over remaining lease life
Fixtures, fittings and equipment	remaining net book value on straight line basis over two years
Computer equipment	33% on the straight line basis

Assets costing less than £500 are not capitalised but are recognised as expenditure in the Statement of Financial Activities in the year incurred.

Intangible fixed assets and amortisation

Intangible fixed assets are recognised when it is probable that future economic benefits will be realised and the cost or value of development can be measured reliably. They are stated at cost less amortisation. The cost of the asset comprises its purchase price and directly attributable costs of preparing the asset for its intended use. This includes employee costs arising from the generation of the intangible asset. Expenditure on research is expensed. Completed assets are amortised over their useful economic life from the month of completion.

During 2023, work began on the development phase of a new website and digital delivery portal for our members. The development costs have been capitalised and treated as an intangible fixed asset (previous websites have been treated as tangible fixed assets). Amortisation will begin when the website is operational in 2024.

Music catalogue copyright licences	5% on the straight line basis
New website (2024)	20% on the straight line basis

Investments

Listed investments are stated at fair value. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities.

Investments in subsidiary undertakings are stated at the lower of cost and net realisable value.



1 ACCOUNTING POLICIES continued

Financial instruments

Other than listed investments, the charity only has financial instruments of a kind that qualify as basic financial instruments. Short term basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period to which the entitlement relates.

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

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 STATUS

Making Music is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 8 Holyrood Street, London SE1 2EL.

3 INCOME FROM DONATIONS AND LEGACIES

	2023 £	2022 £
Donations	30,339	23,892
Grants	211,479	89,209
Legacies	-	97
	<u>241,818</u>	<u>113,198</u>

In the preceding period, donation income of £73,369 and total income of £81,949 was restricted.

4 INCOME FROM CHARITABLE ACTIVITIES

	2023 £	2022 £
Membership subscriptions	493,521	450,454
Member services	115,951	85,147
	<u>609,472</u>	<u>535,601</u>

5 INCOME FROM OTHER TRADING ACTIVITIES

	2023 £	2022 £
Advertising	24,827	22,951
Rental income	19,711	16,000
Other income	624	604
	<u>45,162</u>	<u>39,555</u>



6 EXPENDITURE ON RAISING FUNDS

	2023	2022
	£	£
Staff costs	9,957	6,397
Advertising agent commission	8,858	8,001
Other fundraising costs	850	1,687
	19,665	16,085

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	2023	2023	2023	2022
	Supporting	Supporting	Total	Total
	members	leisure-time	£	£
	£	music		
	£	£		
Staff costs	400,295	73,293	473,588	382,862
Direct costs	54,353	19,101	73,454	108,078
Publication costs	24,716	-	24,716	24,806
Promoter subsidies	2,679	-	2,679	4,499
Event costs	3,288	-	3,288	1,837
Grants payable	8,275	-	8,275	8,350
Support costs allocated	199,167	36,467	235,634	224,102
	692,773	128,861	821,634	754,534
Support costs comprise:				
Support staff costs			73,120	79,072
Other staff costs			12,450	6,745
Marketing			15,990	25,542
Premises and office costs			108,799	88,168
Depreciation			6,013	9,627
Legal and accountancy fees			752	2,034
Other costs			8,934	5,089
Governance costs:				
Trustee expenses			2,326	925
Audit fees			7,250	6,900
			235,634	224,102

In the preceding period, expenditure of £104,964 came from restricted and endowment funds.

8 NET INCOME / (EXPENDITURE)

	2023	2022
	£	£
Net income / (expenditure) is stated after charging/(crediting):		
Depreciation	6,013	9,627
Auditors' remuneration for audit services	7,250	6,900
Auditors' remuneration for non-audit services	278	185
Operating lease rentals	38,887	38,887

As permitted by s408 Companies Act 2006, the parent charity has not presented its own Statement of Financial Activities and related notes. The parent charity's net income for the year, before donation of subsidiary profit and excluding investment gains/losses, was £49,248 (2022: net expenditure £80,164).



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9 STAFF COSTS

	2023 £	2022 £
Gross salaries	494,694	420,541
Employer's National Insurance contributions	42,810	35,364
Employer's pension contributions	15,303	12,426
Redundancy payment	3,858	-
	<u>556,665</u>	<u>468,331</u>

One termination payment was payable during the period (2022: none).

One employee had employment benefits (excluding employer pension contributions) between £60,000 - £70,000 in the current period (2022: none).

At the balance sheet date, there were no unpaid pension contributions (2022: none).

The average number of employees during the year was 17 (2022:16). The average number of full-time equivalent employees was 14 (2022:12). Two employees were on parental leave during the year (2022: none).

10 INTANGIBLE FIXED ASSETS

Group and charity	Music licences £	Website £	Total £
Cost			
Brought forward at 1 January 2023	1,500	-	1,500
Additions	-	162,822	162,822
	<u>1,500</u>	<u>162,822</u>	<u>164,322</u>
Carried forward at 31 December 2023			
	<u>1,500</u>	<u>162,822</u>	<u>164,322</u>
Amortisation			
Brought forward at 1 January 2023	1,500	-	1,500
Charged for the year	-	-	-
	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Carried forward at 31 December 2023			
	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Net book value			
At 31 December 2023	<u>-</u>	<u>162,822</u>	<u>162,822</u>
At 31 December 2022	<u>-</u>	<u>-</u>	<u>-</u>

In December 2022, the charity made a contractual commitment for the development of a new website and digital delivery portal, due for delivery in 2024. Development costs to 31 December 2023 have been treated as an intangible fixed asset. The remaining anticipated development cost of £113,112 has been transferred to a designated fund, of which £98,424 was committed at 31 December 2023. Amortisation will commence when the website is operational. Final research expenditure for the project of £6,105 was treated as an expense in the year and funded from a designated fund set aside for this purpose in previous years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

11 TANGIBLE FIXED ASSETS

Group and charity	Leasehold improvements £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost				
Brought forward at 1 January 2023	-	17,426	134,273	151,699
Transfers	10,265	(10,265)	-	-
Additions	-	-	840	840
Disposals	-	(192)	(4,917)	(5,109)
Carried forward at 31 December 2023	10,265	6,969	130,196	147,430
Depreciation				
Brought forward at 1 January 2023	-	11,610	128,556	140,166
Transfers	5,609	(5,609)	-	-
Charged for the year	1,863	580	3,570	6,013
Disposals	-	(192)	(4,917)	(5,109)
Carried forward at 31 December 2023	7,472	6,389	127,209	141,070
Net book value				
At 31 December 2023	2,793	580	2,987	6,360
At 31 December 2022	-	5,816	5,717	11,533

During the year, the Board approved a new accounting policy for fixtures, fittings and equipment changing from a historic reducing balance basis of between 7 and 33% to a straight line basis. Historic assets which met the definition of leasehold improvements were transferred to a new category and depreciated over the remaining length of the office lease. The trustees believe that both measures are an appropriate and prudent response to the end of the current office lease in 2025. The impact of these two measures increased the cost of depreciation for 2023 by £1,872, bringing forward depreciation charges which would have been made in future periods.

12 INVESTMENTS

Group	2023 £	2022 £
Listed investments		
Fair value at 1 January	135,810	139,504
Additions	141,152	-
Disposals	(135,810)	-
Unrealised gains and losses	4,976	(3,694)
Fair value at 31 December	146,128	135,810

At the beginning of the year, investments were held in the CAF Equitrack Fund. This fund closed in April 2023, realising a capital gain of £5,342. Proceeds were reinvested in the IFSL CAF ESG Income and Growth Fund.

In addition, the charity has an investment of £4 (2022: £4), being a holding of 100% of the ordinary share capital, in NFMS Enterprises Limited (company number 02844532), its trading subsidiary. NFMS Enterprises Limited is a company registered in England and Wales with number 02844532. Its registered office is 9 Holyrood Street, London SE1 2EL. All of its profits are covenanted to the parent charity.

The subsidiary contributed turnover of £98,475 (2022: £68,504), expenditure of £60,031 (2022: £56,180) and a profit to the charity of £38,444 (2022: £12,324). At the balance sheet date, the subsidiary had net assets of £4 (2022: £4).



13 DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	137,563	77,736	125,052	73,788
Amounts owed by group undertakings	-	-	35,685	38,981
Prepayments and accrued income	42,039	113,060	40,052	110,831
Other debtors	-	161	-	161
	<u>179,602</u>	<u>190,957</u>	<u>200,789</u>	<u>223,761</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade and other creditors	379,154	378,780	379,091	378,704
Deferred subscription income	434,891	426,823	434,891	426,823
Accruals and other deferred income	106,450	76,719	96,776	75,346
Tax and social security	28,936	14,885	22,690	13,839
	<u>949,431</u>	<u>897,207</u>	<u>933,448</u>	<u>894,712</u>

Included in trade and other creditors are insurance premiums of £341,035 (2022: £250,068) collected from members by Making Music as agent on behalf of the insurer. Also included are PRS contributions of £7,839 (2022: £3,653) collected from members to be remitted to PRS after the year end. Deferred subscription income includes membership payments received in advance of the membership period. Within accruals and other deferred income are deferred grant income balances, where the charity does not have entitlement to the income at the Balance Sheet date.

The movement on deferred membership subscriptions is as follows:

Group and charity	2023 £	2022 £
Balance at 1 January 2023	426,823	378,657
Released to income	(426,823)	(378,657)
Received in the year and deferred	434,891	426,823
Balance at 31 December 2023	<u>434,891</u>	<u>426,823</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15 MOVEMENT ON FUNDS

CURRENT YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	325,275	9,925	-	335,200
Restricted funds				
Philip and Dorothy Green income fund	76,058	31,143	(56,052)	51,149
Adopt a Music Creator	24,000	(21,683)	22,682	24,999
P & D Green Young Artists fund	-	(18,299)	18,299	-
ACE Feasibility Project fund	-	7,919	-	7,919
Other restricted funds	8,894	(1,704)	1,850	9,040
	108,952	(2,624)	(13,221)	93,107
Unrestricted funds				
Designated funds	49,445	(8,694)	73,582	114,333
General fund	269,865	99,402	(60,361)	308,906
	319,310	90,708	13,221	423,239
Total funds	753,537	98,009	-	851,546

<i>Current year net movement comprises:</i>	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (losses)</i> £	<i>Net movement</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	(393)	10,318	9,925
Restricted funds				
Philip and Dorothy Green income fund	31,344	(201)	-	31,143
Adopt a Music Creator	25,000	(46,683)	-	(21,683)
P & D Green Young Artists fund	-	(18,299)	-	(18,299)
ACE Feasibility Project fund	22,500	(14,581)	-	7,919
Other restricted funds	6,244	(7,948)	-	(1,704)
	85,088	(87,712)	-	(2,624)
Unrestricted funds				
Designated funds	-	(8,694)	-	(8,694)
General fund	843,902	(744,500)	-	99,402
	843,902	(753,194)	-	90,708
Total funds	928,990	(841,299)	10,318	98,009

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15 MOVEMENT ON FUNDS continued

PRIOR YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	329,264	(3,989)	-	325,275
Restricted funds				
Philip and Dorothy Green income fund	106,308	25,360	(55,610)	76,058
Adopt a Music Creator	-	(12,716)	36,716	24,000
P & D Green Young Artists fund	-	(18,894)	18,894	-
Make Music Day	16,851	(16,851)	-	-
Other restricted funds	8,808	86	-	8,894
	131,967	(23,015)	-	108,952
Unrestricted funds				
Designated funds	80,722	(26,277)	(5,000)	49,445
General fund	283,118	(18,253)	5,000	269,865
	363,840	(44,530)	-	319,310
Total funds	825,071	(71,534)	-	753,537
Prior year net movement comprises:	Income £	Expenditure £	Gains/ (losses) £	Net movement £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	(295)	(3,694)	(3,989)
Restricted funds				
Philip and Dorothy Green income fund	25,560	(200)	-	25,360
Adopt a Music Creator	50,000	(62,716)	-	(12,716)
P & D Green Young Artists fund	-	(18,894)	-	(18,894)
Make Music Day	2,235	(19,086)	-	(16,851)
Other restricted funds	4,154	(4,068)	-	86
	81,949	(104,964)	-	(23,015)
Unrestricted funds				
Designated funds	-	(26,277)	-	(26,277)
General fund	620,830	(639,083)	-	(18,253)
	620,830	(665,360)	-	(44,530)
Total funds	702,779	(770,619)	(3,694)	(71,534)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15 MOVEMENT ON FUNDS continued

Philip and Dorothy Green endowment and restricted funds

This endowment enables us to provide grants, awards, prizes, donations or financial sponsorship to young musicians. Income is transferred to project funds including the P & D Green Young Artists fund which enables young musicians at the start of their career to gain vital concert and recital experience across the UK. The scheme also allows Making Music member groups to tap into some of the very best young musical talent to programme into their concert. Income from the endowment also part-funds the Adopt a Music Creator project, run annually by Making Music since 2000 and the Awards programme for composers and arrangers.

Adopt a Music Creator

This project enables us to pair a leisure-time ensemble with an emerging composer. It provides a unique opportunity for leisure-time musicians to work directly with a composer, be actively involved in the creative process and discover new music. The project is funded by the PRS for Music Foundation and the Philip and Dorothy Green fund. Separate funding for the project in Scotland is received from Creative Scotland.

ACE Feasibility Project Fund

This grant was awarded by Arts Council England to fund investigation into the feasibility of moving the location of the charity's office outside of London. This was awarded in conjunction with the charity's status of an ACE Investment Principles Support Organisation (IPSO) under the transfer programme.

Other restricted funds

These funds enable us to make a number of awards, bursaries, and prizes to individual musicians, groups, and organisations in both the voluntary and professional sector. Some of these, such as the Sir Charles Groves Prizes, recognise lifelong contributions to the musical life of the UK.

Designated funds

The designated funds represent the remaining development cost budget for the new website (£113,112) and artist subsidies (£1,222).

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	2023 <i>Unrestricted funds</i> £	2023 <i>Restricted funds</i> £	2023 <i>Endowment funds</i> £	2023 <i>Total funds</i> £
CURRENT YEAR				
Fixed assets	169,182	-	146,128	315,310
Net current assets	254,057	93,107	189,072	536,236
	<u>423,239</u>	<u>93,107</u>	<u>335,200</u>	<u>851,546</u>
	2022 <i>Unrestricted funds</i> £	2022 <i>Restricted funds</i> £	2022 <i>Endowment funds</i> £	2022 <i>Total funds</i> £
PRIOR YEAR				
Fixed assets	11,533	-	135,810	147,343
Net current assets	307,777	108,952	189,465	606,194
	<u>319,310</u>	<u>108,952</u>	<u>325,275</u>	<u>753,537</u>



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS continued

Charity	2023 Unrestricted funds £	2023 Restricted funds £	2023 Endowment funds £	2023 Total funds £
CURRENT YEAR				
Fixed assets	169,185	-	146,128	315,313
Net current assets	254,054	93,107	189,072	536,233
	<u>423,239</u>	<u>93,107</u>	<u>335,200</u>	<u>851,546</u>
	2022 Unrestricted funds £	2022 Restricted funds £	2022 Endowment funds £	2022 Total funds £
PRIOR YEAR				
Fixed assets	11,537	-	135,810	147,347
Net current assets	307,773	108,952	189,465	606,190
	<u>319,310</u>	<u>108,952</u>	<u>325,275</u>	<u>753,537</u>

17 FINANCIAL COMMITMENTS

At 31 December 2023 the charity was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Due within one year	38,887	38,887
Due in two to five years	17,346	95,120

At 31 December 2023, the charity had commitments of £98,424 for the development of a new website and digital delivery portal due for delivery in 2024 (2022: £83,589) and an annual commitment of £23,850 for a monitoring and maintenance agreement until 31 August 2028 (2022: £Nil).

18 RELATED PARTY TRANSACTIONS

The key management personnel are considered to be the trustees, the Chief Executive, the Membership & Operations Director, the Finance Director, the Communications Director and from 1 August 2022, the Deputy CEO. This part-time role focuses on our advocacy and lobbying work, funded by an unrestricted three-year grant from the Esmée Fairbairn Foundation (EFF).

The total amount of employee benefits (including employer's national insurance and pension contributions) received by key management personnel during the year was £209,520, including a full year of the funded Deputy CEO role (2022: £183,242).

There were no Trustees' remuneration or other benefits during the current or prior period.

Trustees were reimbursed expenses of £2,349 (2022: £468), in respect of seven (2022: three) trustees for travel and subsistence costs. Ms Clare Birks is related to the owner of the property leased by the charity. The amount of the lease charge payable per annum is £36,996 (2022: £36,996). While serving as a trustee during the year, Ms Birks was excluded from any discussions on property-related matters and the rent was negotiated on an arm's length basis.

Accounts



NATIONAL FEDERATION OF MUSIC SOCIETIES

Trading as Making Music

Annual Report and Financial Statements

For the year ended 31 December 2022

Company Number 308632

Registered Charity in England and Wales Number 249219

Registered Charity in Scotland Number SC038849

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Westerley Winds, some of whom took their Grade 5 theory exam during the pandemic



One Voice Community Choir take part in Make Music Day

Reference and administrative details

Name of Charity	National Federation of Music Societies trading as Making Music	
Company Number	308632	
Charity Number	249219 (England) SC038849 (Scotland)	
Principal Office & Registered Office	8 Holyrood Street London SE1 2EL	
Directors and Trustees	Dorothy Wilson MBE FRSA Clare Birks Celeste Berteau Peter Burchill Robert Guest Paul Graham Rhiannon Harrison Edward-Rhys Harry Nick James Paul McKinley Carol Pemberton MBE Andrew Rixon Valerie Taylor Neil Weir	<i>Chair</i> <i>Vice Chair & Treasurer</i> resigned 11 March 2022 appointed 30 May 2022 appointed 7 September 2022 appointed 30 May 2022
Key Management	Barbara Eifler Alison Reeves Ben Saffell Helen Evans Natalie Joanes	<i>Chief Executive</i> <i>Deputy Chief Executive</i> <i>Membership & Operations Director</i> <i>Finance Director</i> <i>Communications Director</i>
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ	Flagstone Investment Management Clareville House 26-27 Oxendon Street London SW1Y 4EL
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE	
Independent Auditor	Amy S Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE	

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited group and parent charity financial statements for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, current statutory requirements and 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) - (Charities SORP).



Cambridge Philharmonic Society



Choir With No Name

Making Music - who we are

Making Music is a charity and the UK association for leisure-time music, with 4,000+ music groups in membership, comprising around 220,000 hobby musicians.

We support our members with practical services and artistic development opportunities, we connect them with each other, the wider sector and relevant other organisations, and we celebrate and advocate for the leisure-time music sector and its benefits - physical, social, psychological, educational, economic - to individuals, communities and policy makers. We seek to ensure that conditions are right for leisure-time music groups to flourish.

Summary of the year

2022 saw groups resume in-person activity with enthusiasm, but some, perhaps fragile before Covid, struggled more than others, particularly when the cost of living crisis then struck them additionally.

This affected members in several ways: their costs rose, for instance for hiring spaces, for regular musical activities and for performances, for their professional music leaders, etc. But their participants were less well-off, too, so members found it difficult, or didn't want to ask them for a higher contribution to costs (groups strive to be as accessible as they can be). On top of that, groups did not quite regain their pre-Covid income levels in 2022, as 54% of them still renewed membership for 2023 on the lowest subscription band (compared to 46% pre-Covid, but an improvement on 64% who renewed on the lowest band for 2022).

Challenges for groups remained around **rehearsal spaces and performance venues**, related to cost, but also availability and suitability, and around **volunteers for committees**.

During consultations for our next 5-year plan, members set priorities around finding new participants for their group, growing their audiences, help with becoming more resilient and building better connections in their communities, and for Making Music to work to protect leisure-time music from threats. These priorities are reflected in the plan, published in 2023.

We continued working on **Equality, Diversity and Inclusion**; we reviewed our EDI plan; and we wrote Inclusive Work Culture and Learning Culture policies, to support our work in making Making Music an organisation with an inclusive, welcoming and supportive work environment. We changed our staff recruitment process to increase access to opportunities at Making Music by developing anonymised task-based applications. We held one-to-one conversations with our team to understand their challenges and enthusiasm for EDI work, and these will help us build Inclusive Work Culture and Learning Culture plans in 2023.

We were successful with **funding applications** to the Esmée Fairbairn Foundation (starting August 2022) and Arts Council England (due to start April 2023) to enable us to expand work on inclusion and access with our members, running more events, creating more resources and developing working groups, as well as planning an in-depth support pilot programme with some members selected through open calls for 2023-2025.

We continued our work supporting and encouraging Making Music members to consider the positive ambassador role they can embrace in terms of **climate change** messaging, and Making Music itself created an Environmental Policy and is working on a detailed plan and set of actions to accompany it, for 2023.

Objectives and activities

What does Making Music do?

- **Support members:** practical services and artistic development opportunities; facilitate and build connections, to enable everyone and anyone to set up and run a leisure-time music group, and for groups to keep growing, find inspiration and aspire to excellence; celebrate and highlight our members' achievements; and stand up for their needs with policy makers and other stakeholders.
- **Support leisure-time music:** stand up for and celebrate the leisure-time music sector (of which our members are part) to policy makers so that policy can take into account the individual and community benefits of participating in music as a hobby; and to the general public so that more new people are able to draw down such benefits and may be encouraged to join one of our member groups.

Our vision

Everyone has opportunities within reach to make and present their kind of music with others.

Our mission

Making Music is a membership organisation which supports, stands up for and celebrates groups of people making and presenting music together in their leisure time across the UK.

Our objectives

Our current business plan, due to end 2021, was extended for an additional year due to the impossibility of future-gazing whilst the pandemic was still in full flow, therefore Making Music during 2022 continued to ...

1. **Support members:** Help Making Music groups become stronger and better able to connect with new members and audiences.
2. **Support members/support leisure-time music:** Stand up for and celebrate Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK.
3. **Support members/support leisure-time music:** Invite and welcome all kinds of music groups to become part of the Making Music community.

How do our activities benefit the public?

Our main activities and who we support are described below. All our charitable activities focus on our charitable objective to 'maintain, improve and advance education by promoting the art and practice and public performance of music throughout the United Kingdom and in other countries' and are delivered to further that charitable purpose for the public benefit. The trustees have complied with their duty to have regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

The trustees are confident that Making Music's activities offer public benefit:

- All individuals in society have the potential to benefit from the activities of Making Music, for example its publicly available search facility on the website ('Find a Group'), and from the activities of its members, either by joining a leisure-time music group or experiencing their performances, workshops and other events.
- Making Music's advocacy work is of benefit to all, whether or not they are involved in music already, by seeking to maintain or establish an environment in which live music-making by and for everyone can flourish and be available to participants and audiences in communities across the UK.
- There are no restrictions on membership of Making Music, any leisure-time music group can become an Associate Member, although Full Membership is restricted to not-for-profit constituted groups.
- Financial assistance with joining Making Music is considered in cases of individual hardship. Since 2015 Making Music has had a specially reduced rate (50% discount) for new groups just setting up and for youth groups (25%) where participants are 21 or under.

How does society benefit?

Leisure-time music groups made up of hobby musicians create many benefits for the individuals taking part in their musical activity; for the individuals experiencing the resulting performances; and for the communities in which they are active.

- **For individuals**, there is now a large and growing body of research which provides clear evidence of the social, educational, psychological, and biological (physical health and well-being) benefits of group music activity.

- **For society**, there is a developing evidence base to show that connectedness across socio-economic and cultural divides within communities through group activity brings many benefits to a local area, including making it a more desirable place to live and work, contributing to place-making and regeneration.
 - Leisure-time music groups also raise millions of pounds annually for local charities and community resources
 - For their audiences, the events our members present may be the only locally available and accessible live music, so for them, too, there are social, educational and well-being benefits
 - These locally created and promoted events also play a significant part in generating pride of place and raising the ambitions of a community
- **For the economy**, these groups collectively have a significant financial impact. Whilst small individually (76% have a turnover of below £14.5k a year), they are estimated to be around 13,500 in number across the UK, comprising around 750,000 participants. 98% of them engage professional musicians in some capacity (conductors, soloists, accompanists, etc.), with fees an estimated £86.4m a year; commissioning 2,000 new pieces of music annually; spending significantly with suppliers such as music publishers (£6.4m a year), retailers (instruments, accessories), on promotion, etc.

These benefits are created by usually small volunteer-led and run groups. Making Music's support enables them to continue providing these benefits to individuals and society and facilitates more and different people benefitting by joining or setting up such music groups.

“ Being a member of Making Music has helped enormously over the last couple of years and we are very grateful for the guidance and support you have offered to help us navigate through the many challenges we have had to deal with. ”

Making Music member

Thanks

The Board would like to thank the staff throughout the UK who continue to put in huge efforts on behalf of members. We are fortunate that every member of staff is deeply committed to the cause of live music-making in communities. In 2022, they continued tirelessly to support members and respond to their needs.

Our thanks also go to the funders who supported activity during 2022. These are: Arts Council England (ACE); Creative Scotland; PRS for Music Foundation; Philip & Dorothy Green Music Trust; Esmée Fairbairn Foundation.

Making Music also owes its 101 volunteers a large debt of thanks and would like to take this opportunity to thank them and pay tribute to their dedication and enthusiasm:

1 President, 13 Board members, 80 Listeners, 7 occasional volunteers.

Achievements and performance

1. Supporting members

Helping Making Music groups become stronger and better able to connect with new members and audiences, practical services and artistic development opportunities.

Our tailor-made affordable insurance covers all aspects of leisure-time music group activity and is made possible by our buying power on behalf of over 3,900 groups.

- **93% of members took insurance in 2022 (2021: 93%)**

We offer:

Guidance on Performing Right Society (PRS) responsibilities and a way of declaring and paying PRS royalties for performances in unlicensed venues via us, with a discount. In 2022, activity was recovering from Covid, but had not returned entirely to pre-pandemic levels.

- **£70,489 royalties collected from members (2021: £15,634)**

Safeguarding guidance, templates, training, online resources, Disclosure & Barring Services checks.

- **290 DBS checks carried out (2021: 259)**

Advice and support via email or telephone from friendly and well-trained staff who understand how groups are run and what their issues are; this continued to be an important and valued service in 2022. We also carried on open-access online member meet-ups with break-out rooms facilitated by staff which enabled members to ask questions on topics of concern.

- **Over 1,538 phone calls with 880 groups (2021: over 1,315 calls with 981 groups)**

200+ online resources in three categories: 'have to know or do'; 'help to run the group better'; 'inspiration for a brighter future'. Resources include written and audio-visual guidance, template policies and contracts, case studies and online tools. In 2022, Making Music continued to produce new resources to support members.

- **29 new online resources (2021: 42)**
- **253,563 unique views of resources pages (2021: 573,429)**
- **1.05m total website page views (2021: 1.43m)**

Dissemination of information: Highnotes membership magazine three times a year; iNotes monthly e-newsletter; emails on specific opportunities.

- 6,800 received Highnotes (2021: 6,890)
- 13,500 on iNotes mailing list (2021: 12,805)
- 223 broadcast emails to 813,366 recipients (2021: 194 to 816,251)

Discounts and subsidies: discounts negotiated with corporate members and partners; subsidies towards cost of engaging professional musicians.

- Subsidies of £6,050 to 32 groups towards engaging Philip & Dorothy Green Young Artists (2021: £4,600 to 22 groups)
- Subsidies of £400 to 4 groups for engaging artists from the Selected Artists' Guide (2021: n/a)
- Subsidies of £1,710 to 18 groups towards artists' costs (2021: £1,711 to 18 groups)
- Artists' Expenses subsidies of £1,075 to 9 groups (2021: n/a)

“ A massive thank you to you and your colleagues for all your hard work and support with this [charity registration] application, we could not have done it without you, and we are eternally grateful! ”

Making Music member

Specific services: e.g. charity registration service, Orchestra Tax Relief (OTR) service, MM Platform (online admin/website template). In 2022, these services continued to be provided, with a strong revival of OTR claims post-Covid.

- 27 groups helped to register as charities (2021: 18)
- 4 new groups claimed Orchestra Tax Relief (2021: 4), 11 more signed up but haven't submitted their first claim. 55 successful OTR claims (2021: 44)
- £174,870 OTR claimed for members (2021: £56,554)
- 74 MM Platforms set up (2021: 80)

Promotion: 'Find a group' online tool enables the public to discover a leisure-time music group near them; vacancies allow groups to engage the music professionals they need; from events listings the public can discover performances in their area.

- 49,973 Find a Group pages viewed (2021: 47,689)
- 95,810 Vacancy pages viewed (2021: 66,313)
- 71,703 Events pages viewed total, including MM events (2021: 86,531)

Artistic development: Adopt a Music Creator; legacy pieces free to Making Music groups. In 2022, some of the 2019/20 and the 2020/2021 cohort of groups matched with music creators continued working. The last two of the seven 2019/2020 pairings managed to conclude their projects by the end of the year, and five of the 2020/2021 projects. All six 2022 projects concluded in 2022.

- **2022: 6 music creators ‘adopted’ by 7 groups (one collaboration between 2 groups) (2020/2021: 7 adopted by 8 groups)**

Artistic development: support for instrumental group conductors, one event in 2022.

- **Instrumental ensemble leadership workshop with Martyn Brabbins, Music Director of English National Opera, for 5 conductors, involving 37 players from member groups and 8 players from the ENO orchestra**

Programming and repertoire inspiration via our online Music Bank database and via Musica International, a choral database to which we subscribe to give our members full access.

- **18,858 artistic works listed (2021: 18,777)**
- **12,992 items of sheet music available through member-to-member exchange (2021: 13,243)**
- **5,698 programme notes available free (2021: 5,693)**
- **23,752 Music Bank webpages viewed (2021: 10,718)**

Our previously annually published Selected Artists Guide details artists available with subsidies for engagements with leisure-time music groups. The 2020 guide remains valid until it becomes the online Recommended Artists Database on our new website in January 2024.

Events: in 2022, we continued to deliver almost all our events online, involving a high number of members. We ran the annual general meeting, our awards ceremony, a Making Music (consultative) Council, general member meet-ups, separate meet-ups in each UK nation, expert/speaker-led events, and events focussed on specific topics, with high attendance and incredibly positive feedback. We reduced the number of events, as numbers dropped off when people started returning to in person activity and offices/work.

	Info & Advice events	General meetups (incl. nation specific)	Guest speaker events	Other events	All events
No. of events	29 (49)	17 (28)	9 (10)	10 (6)	65 (93)
Total number of event attendees	989	422	660	288	2359 (4159)
Unique attendees	802	330	591	271	1626* (2319)
First-time attendees	396	95	289	97	877 (1484)
Number of unique groups represented at events	664	305	519	n/a	1217* (n/a)

*unique attendees/groups represented overall is not a sum of the numbers in the row, as some were unique at several types of events, but then were only counted once in the end column

- 63 online/2 in person events for 2,359 attendees (2021: 91 online/2 in person events for 4159 attendees)

“ Thank you for organising and chairing the gospel event today - utterly inspirational. I sing in choirs and train choirs - always like to tap into new ideas, styles and to learn from other equally enthusiastic singing people! ”

Making Music member

We benefitted 2.2% (2021: 2.2%) more groups:

- 3,266 full members (2021: 3,196)
- 323 associate members (2021: 302)
- 427 affiliate members (2021: 415)
- TOTAL 4,016 (2021: 3,913)

This breaks down as supporting:

- 2,181 singing groups - 55% of members (2021: 2,138; 54%)
- 1,432 instrumental groups - 35% of members (2021: 1,371; 36%)
- 403 promoters - 10% of members (2021: 404; 10%)

Groups by annual income bracket (previous year):

- Less than £7.2k: 65% (52%) (compared to 46% pre-pandemic)
- £7.2k-14.5k: 18% (23%)
- 14.5k-£21k: 7% (10%)
- £21k-£31k: 4% (7%)
- £31k-£100k 5% (7%)
- More than £100k: 2% (2%)

As groups pay subscription according to income bracket, and this income bracket refers to their previously published accounts, the impact on Making Music of the Covid standstill in activity in 2020/2021 is a delayed one and is most strongly reflected in these 2022 statistics. Renewals for 2023 membership show a strong improvement, i.e. members' income brackets increasing again, though not yet a full return to pre-Covid levels of their income.

2. Supporting leisure-time music / supporting members

Stand up for Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK

Since Covid, this strand of our activity has become a more significant part of our activity. We realised that as well as looking to us to make their voice heard by policy makers, leisure-time music groups were asking us for the tools they needed to advocate for themselves and their activity: how should they go about it, and did we have the relevant data and evidence for them to use?

This formed part of a successful application to the Esmée Fairbairn Foundation: empowering the people in our groups to influence. As part of that, as a first step in 2022 we held an online public speaker event about Influencing Locally (21 attendees) and produced resources to help groups understand the mechanisms of local government and how to interact with it. We will be developing this strand over the three years of funding.

It was also time to consult members, other stakeholders and our contacts across the sector in preparation of our next **five-year plan**, to start from January 2023. Surveys, focus groups and team and Board away days brought to the surface the priorities to focus on from 2023 to 2027 and the plan will be published in 2023.

It was also informed by our **Big Survey** (formerly Treasurers Survey) which we carried out in the autumn of 2022 for the first time since 2016, giving us valuable data on our members and the leisure-time music sector, with 913 (23%, excellent confidence level of 3%) of 4,000 members responding. The full report will be published in 2023.

1. Covid still formed part of the story

Restrictions were lifted from January 2022, but actually the last remnants lingered until April (Scotland), and groups were also significantly still battling Covid legacies: perhaps fewer members, perhaps members still fearful of returning to activity, perhaps difficulties in regaining the confidence and musical level they had pre-Covid, and in addition starting to be affected by the cost of living crisis: energy cost rises and inflation have mainly meant that their spaces and venues have become more expensive whilst at the same time their own participants' purchasing power decreased: financially, a difficult place to be.

However, in the latter part of the year it was clear that in terms of energy and enthusiasm the majority of groups were bouncing back to pre-Covid levels of activity and performances.

2. Non-Covid challenges definitely were the prominent strand of the story

The campaign by the Association of British Orchestras and others, supported by Making Music, led to the increased **Orchestra Tax Relief** introduced in the autumn 2021 budget being extended again in the March 2023 budget, until April 2025, significantly supporting member activity. During 2022, Making Music passed the milestone of having helped members claim £0.5 million through this creative tax relief. Making Music also started piloting the introduction of a similar service for Theatre Tax Relief.

Music libraries: (provision of multiple copies of sheet music via the public library system) Where public libraries were struggling pre-Covid, for financial reasons, this has not improved post-Covid. However, the **New Surrey Performing Arts Library (NewSPAL)** which Making Music has been supporting as an innovative new model finally managed to open its doors to the public in September, five years after a campaign was launched to prevent the closure or dispersal of this collection, one of the three largest in the UK.

Music Libraries Trust (MLT) in collaboration with Making Music and the International Association of Music Librarians - UK and Ireland Branch published a **Music Libraries Vision** which has made recommendations to help take the national/UK wide discussion further in terms of coordination of resources and online access to them.

PRS for Music resumed their consultation on the Live Classical Tariff which had been paused due to Covid. Making Music was delighted that the organisation listened to the submissions from us and our members as to the particular needs of the leisure-time music sector and in February 2023 announced that amateur groups would be eligible for a 50% discount on the professional royalty rates.

Music education saw the publication in England of the second version of the National Plan for Music Education; and in Wales the publication of the first of such plans. Making Music met with or submitted information to those creating and re-writing those plans, to ensure adult community music was considered as a progression route for young people, as well as making a submission to Professor Hayward's Independent Review of Qualifications and Assessment (Scotland), arguing for the recognition of community music activity as part of a young person's school qualifications.

We also attended a (Westminster) All Party Parliamentary Group on music education and one on adult education and remained part of the Music Education Council (UK wide) and the Music Education Partnership Group (Scotland) and took part in a round table hosted by ABRSM on potential qualifications for adults and ensembles. One of our public speaker events was on **Music education for under-18s and adult leisure-time music** (110 attendees), seeking to help members and policy makers connect the dots on this issue.

Consultations:

Levelling Up for Culture inquiry by the DCMS Select Committee; Making Music consulted with members and submitted a response with a significant number of case studies included. The final report, however, seems a missed opportunity to consider the role that leisure-time music in the community could play in the government's levelling up agenda, despite us and several other networks putting forward strong arguments. This is disappointing because our members' ability to thrive depends strongly on local infrastructure; recognition at a UK level would help make that case to local authorities for keeping infrastructure intact or developing it in order to benefit from the positive impacts of community music activity in their area. Responded to the Scottish inquiry **Budget scrutiny 2023-24 Funding for culture**.

Following a link-up with the **Local Government Association** we were invited to contribute to their **Commission on Culture and Local Government** whose final report is a useful piece of evidence to show the impact of community activity and how our members and the leisure-time music sector contribute to local areas.

We continued to notice that **performance venues and spaces for regular musical activity** (e.g. rehearsals) were increasingly an issue for the sector and so started preparatory work for a major piece of work and campaign from 2023 onwards, including meeting with Community Matters, the network supporting urban community halls, and Creative Lives who are also working on this issue, carrying out a small-scale in-depth survey with members in one area, and including a number of questions on this topic in our Big Survey (autumn 2022).

3. Advocacy, networking, representation

Speaker-led public events

We continued this highly successful series of events, which are available to anyone (including non-members) and held on Zoom, featuring experts on a particular topic and allowing 30-45 minutes for audience questions, meaning attendees generally are able to have access to experts for their particular queries.

Topics for 2022 were:

- **Programming women composers** with musicologist Elizabeth de Brito; Helen Sanderson, Head of Guitar Performance at the Royal Welsh College of Music and Drama and leader of the National Youth Guitar Ensemble and trustee of the F-list for Music; soprano Gabriella Di Laccio, found of charity Donne, Women in Music; Tom Farncombe, Business Development Director Hal Leonard Europe; and Sharon Moloney, conductor of flute choir Opal Flutes (130 attendees)
- **Commissioning the future** with composers Jenni Pinnock and Ella Jarman-Pinto, Dan Goren (Composers Edition) and Lizann Peppard of London Oriana Choir (32 attendees)
- **2 Climate change networks** (55 attendees); panel 1 comprised composer and songwriter Ellie Wyatt (Music Declares Emergency); pianist and performer Sarah Nicolls; international choral database Musica International; panel 2 included SAIL (Sustainable Arts in Leeds); and conductor Tom Newall on a new climate oratorio.
- **The challenges of recruiting and retaining volunteers** (81 attendees) with Holly Lombardo, Director, National Rural Touring Forum; Robin Simpson, Chief Executive, Creative Lives; Sue Torres, founder and director, Wicked Events, and Richard Boardman, Research and Development Manager at the Sport and Recreation Alliance.
- **Social Prescribing** (185 attendees) with Baz Chapman (Singing for Health Network) and a local social prescriber. Making Music has partnered with Singing for Health on adapting their resources for all music groups with an interest in engaging with social prescribing. We are also working with charity 2makeit on brokering one to one connections between referred persons and music groups, in order to learn what the barriers and challenges may be on both sides.
- **Find out about gospel** with Audrey Gray from the Gospel Music Industries Alliance and Karen Gibson, leader of the Kingdom Choir. (45 attendees)
- **Q&A event with Dawn Bowden, Welsh Deputy Minister** (13 attendees)

Singing Network UK, hosted and convened by Making Music, is a free network of over 30 UK umbrella organisations with an interest in singing. It met three times via Zoom during 2022, with invited speakers covering topics including:

- Royal Schools for Church Music's Jubilee Anthem project
- Social prescribing resources
- Contemporary Music for All's vocal repertoire and festival
- Gabrieli Consort's Roar project
- Peterborough Sings' research into equal voice choirs
- Musica International on their international choral music database
- Dr Kathleen Cronie's research into choir leadership and inclusive choirs
- Music Teachers Board awards
- Natural Voice Network's training on including non-binary voices in choirs
- Potential international events to be hosted in the UK

Events we spoke at/publications on behalf of members and the sector during 2022:

- Sing Ireland event about re-opening after Covid
- Interviewed for a dissertation on The Effects of Orchestral Learning and Participation Programmes on Lifelong Participation in Music
- Wrote about arts 'cold spots' for Arts Professional magazine
- Wrote to Baroness (Deborah) Bull on appointment as Chair of the Expert Advisory Panel on the Cultural Education Plan
- Spoke on a panel at the Jazz Promotion Network conference in Belfast
- Hosted session on inclusion at Comfort of Voices event for choir leaders in Scotland
- Spoke at round table hosted by Sarah Boyack MSP
- Spoke at Do the arts matter in Stormont? pre-election event in Northern Ireland
- Hosted session on inclusion for Amateo, the European Network

Events we attended on behalf of members and the sector during 2022:

- National Music Council/Music Network UK round tables
- Creative Lives: various events (Wales, Scotland, England, Republic of Ireland)
- What Next? advocacy network meetings (UK; Wales/Cardiff)
- Culture Counts meetings (Scotland)
- German round table meetings on amateur music hosted by a member of parliament
- Donne|Women in Music launch of new research into programming of female and diverse composers in orchestras from around the world
- Social Power Network Scotland
- Scottish Classical Sustainability Group
- Royal Schools of Church Music reception in the House of Lords hosted by Lord Clement-Jones
- Association of British Orchestras AGM; Scottish Members Group
- Cross party group meetings in Scottish parliament (Music; Culture and Communities)
- Senedd cross party group on Music
- National Eisteddfod, Wales
- Luminate 10th anniversary reception in Scottish parliament

Organisations/policy makers we met with on behalf of members and the sector in 2022:

- | | |
|---|---|
| • Dementia Inclusive Singing Network | • Music Industries Association |
| • Jazz Promotion Network | • ABRSM |
| • Economy Minister (Wales) | • Sound Connections |
| • Deputy head of arts from the Department of Communities (Northern Ireland) | • Youth Music |
| • Cardiff City Council | • Association of British Choral Directors |
| • Ty Cerdd | • English Folk Dance and Song Society |
| • Dewys Cymru | • Brass Bands England |
| • Musicians Union | • Music for Youth |
| • Music Mark | • PRS Foundation |
| • PRS for Music | • Creative Scotland |
| • Gospel Music Industries Alliance | • Arts Council Wales |
| • Sing Ireland | • Arts Council England |
| • Classic FM | • Royal Conservatoire of Scotland |

Formulated 3 asks for the local elections in England, Wales and Scotland, and local and NI Executive elections in Northern Ireland, for members to discuss with prospective candidates, focussing on spaces (suitable, affordable, for regular musical activity and performance), support (transport, licensing, music libraries etc.) and recognition (of benefits and impact of leisure-time music), with accompanying visual material to display or hand out.

Were on the judges' panels for Creative Lives' Wales awards; Royal Philharmonic Society's Inspiration Award

Amateo, the European Network for active participation in cultural activities. Our CEO continues as Treasurer on the Board of this network and presented a provocation, on listening to communities, at their annual conference in Dublin

Music Libraries Trust, our CEO continues on the Board of this charity

Celebrate Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK

Promoted leisure-time music groups via our online Find a Group tool, our Events calendar, our communications, including Highnotes magazine, iNotes e-newsletter, Selected Artists Guide, PR, social media (Twitter, Facebook and Instagram).

- **3 editions of Highnotes (2021: 3)**
- **12 editions of iNotes (2021: 12)**
- **10 press releases (2021: 9)**
- **21,382 followers on Twitter (2021: 21,069)**
- **2,792 followers on Instagram (2021: 2,407)**
- **21,382 Facebook page followers (2021: 19,115)**
- **1,769 subscribers to YouTube channel (2021: 1,636)**

Offered **performance opportunities** to groups, e.g. on Make Music Day (21 June annually), to highlight the achievements and offer of leisure-time music groups to a wider public, locally, nationally and internationally.

Make Music Day (21 June). Making Music instigated or curated events for members to perform at took place in Enniskillen, Wrexham, Glasgow and London. We contributed to the UK segment of the worldwide 12 hour broadcast coordinated by the Make Music Day UK team. Making Music CEO Barbara Eifler continues to chair the Board of Make Music Day UK.

Developed **broadcast opportunities**, e.g. Classic FM annual broadcast of carols by Making Music groups; BBC Radio 3 broadcast of Adopt a Music Creator project new pieces, including interviews, to raise the profile of groups and the sector.

- **5 groups featured on Classic FM Drivetime in December 2022 (2021: 5)**
- **8 groups featured on BBC Radio 3 as part of Adopt a Music Creator project, 5 in Jan 2022 and 3 in Oct 2022 (none during 2021, Jan 2020: 6)**
- **7 groups (3 members) winners of the Classic FM Big Platinum Performance**

We continued with the **awards** started in 2020, our President, Debbie Wiseman OBE, announcing winners and presenting the awards in an online award ceremony.

The 2022 winners were:

- **Best Music Creator:** Nathan James Dearden - *i breathe*, for National Youth Choirs of Great Britain
- **Best Arranger:** Michael Betteridge - *Urge for Going*, for The Sunday Boys
- **Best Project with New Music:** The Sunday Boys, commissioned and performed three works by LGBTQ+ composers as part of the inaugural Corridor of Light Festival in Manchester
- **Best group Music Director:** Chris Parsons, Bury St Edmunds Friendly Orchestra
- **Group Hero (People's Vote):** Bradford Festival Choral Society team (Alice Phelps, Fran Wyburn, Thomas Leech, Christopher Pulleyn, Pariss Joseph, James Hamilton), Bradford Festival Choral Society

We contributed nominations to the **Royal Philharmonic Society's new Inspiration Award** and sat on the judging panel to shortlist.

We re-appointed **Debbie Wiseman OBE as President**.

3. Supporting leisure time music / supporting members

Invite and welcome all kinds of music groups to become part of the Making Music community

What we did in 2022

Our Equality, Diversity and Inclusion work developed significantly during 2022. Once again we updated our EDI Plan, and focussed work on three parts to this work:

- Inclusion of diverse voices at Making Music as an organisation: staff and volunteers (including trustees); we built a new way of recruiting staff which is task-based, not relying on previous qualifications and experience; devised an online survey to help us benchmark the demographics of applicants; wrote an Inclusive Work Culture policy and Learning Culture policy. Plans to accompany these to be published in 2023
- Extending our offer and how and where we articulate it to a wider range of leisure-time music groups; this is about services and resources, and about language and imagery; this strand focussed on our preparatory work for a new website
- Helping our members remove barriers to participation and attendance in their group, so that they are able to retain their participants for longer, recruit new ones and extend the welcome to their public events further into their communities; in 2022 we continued with our general Access & Inclusion events for members; published a number of new resources; started a series of 'In Conversation....' events, bringing members together with people of different lived experiences; and gained funding from the Esmée Fairbairn Foundation and Arts Council England to deepen and widen this work in 2023

Plans for future periods

Specific plans and focus for 2023

- We will develop a new website (anticipated launch now January 2024) in order to:
 - enable our members to access all our services and resources digitally 24/7
 - make it easier for members of the public to find a group or find an event near them, to encourage more and different people to actively engage with music
 - facilitate access to statistics and research on leisure-time music and its significance to individuals and communities to policy makers, media and others
- We will continue and expand our work on becoming an inclusive organisation and supporting our member groups to dismantle barriers for existing and potential participants and audiences
- We will give our members the tools and information to advocate on their own behalf, especially with local policy makers; and including materials to help them talk to election candidates (the three asks)
- Making Music will focus its own lobbying on building a campaign to improve the availability of spaces for regular music activity
- We will publish our new 5 year plan; and a full report on the results of our Big Survey
- We will help members rebuild and grow their income post-Covid and to be able to withstand the cost of living crisis
- We will more strongly encourage take-up of MM Platform to enable groups to run themselves efficiently and promote themselves better to new and more people, now we have a dedicated staff resource to support this, thanks to Esmée Fairbairn Foundation funding
- We will continue to support groups to claim Orchestra Tax Relief, and encourage more groups to take advantage of it, introducing Theatre Tax Relief also.

Financial review

Financial result for 2022

Once again, we have withstood a difficult year. Although total net expenditure of £71,534 (2021: £22,937) demonstrates a further year of falling reserves, this reflects planned spending of restricted and designated funds and masks another successful, minimal call on unrestricted general funds. While total reserves fell by 9% this year, free reserves fell by less than 2%. This has allowed us to remain within our reserves policy of retaining unrestricted general funds equivalent to 3 to 6 months' unrestricted expenditure.

Total income of £702,779 (2021: £721,305; 2020: £759,403) included membership subscription income of £450,454 (2021: £456,062; 2020: £500,099). Our member subscriptions are based on the income of our members during the preceding year, so this was the second year that our income was affected by our members' restricted ability to earn income from concerts, events and subscriptions during the Covid-19 lockdowns of 2020 and 2021.

Although we have successfully retained and grown our membership over the course of the pandemic, with year-on-year growth of 2.6% (2021: 2.3%) many of our members continued to renew at our lowest subscription rate. This meant for a second year, we supported more

members but with reduced income. Despite implementing strategies to target new members, it proved difficult to increase market penetration above the norm achieved in the years preceding the pandemic.

The shortfall in subscription income this year was bridged by income from paid member services and a successful three-year application for unrestricted funding from the Esmée Fairbairn Foundation (EFF), starting August 2022.

Total expenditure for the year was £770,619 (2021: £761,166; 2020: £766,513). Inflationary pressures meant it was impossible to continue the rigid cost control we had applied in 2021. Our staff team is our most valuable asset and, as the cost of living increased, it was imperative to review staff salaries which had been frozen since 2019. In early 2022, the Board approved a new remuneration policy and awarded staff a pay increase delivered in two stages from April and September 2022. The EFF grant funded the recruitment of two new part-time posts in Autumn 2022 to relieve staff pressure and support increasing demand for our member services.

Consolidated cash balances of £1,312,444 at 31 December 2022 (2021: £1,378,263) include deferred membership subscription income collected for 2023 and insurance premiums and PRS fees collected from members to be paid over to third parties in early 2023. Net current assets of £606,194 (2021: £665,947) provide a more accurate picture of working capital.

The trading subsidiary, NFMS Enterprises Limited, generated a profit of £12,324 (2021: £7,013) which was donated to the charity under covenant.

Reserves Position

Total funds held at the end of the year were £753,537 (2021: £825,071), the reduction reflecting planned expenditure of restricted and designated funds.

Of these funds, £325,275 (2021: £329,264) were held in a permanent endowment fund and £108,952 (2021: £131,967) were held in funds for restricted purposes.

Unrestricted funds of £319,310 (2021: £363,840) included £49,445 (2021: £80,722) held in designated funds to spend on projects in 2023 and 2024, including £42,545 towards the development of a new website and digital delivery portal.

The remaining unrestricted general funds of £269,865 (2021: £283,118) include £11,533 (2021: £19,620) which can only be realised by disposing of fixed assets. This leaves free reserves of £258,332 (2021: £263,498), an annual fall of less than 2%.

Reserves Policy

It is the policy of the charity to maintain adequate reserves to cover between 3 and 6 months of unrestricted expenditure, in normal circumstances. This target has been set because the charity has a high committed cost base. Staff costs account for approximately 60% of expenditure, with our staff team vital to providing services paid for in advance by our members. The second largest cost is office rent, with a five-year lease commitment remaining until 2025.

Unrestricted funds at 31 December 2022 were £319,310 (2021: £363,840). After deducting designated funds and fixed assets, the remaining free reserves of £258,332 (2021: £263,498) represent 4.9 months' (2021: 5.9 months') of unrestricted expenditure, excluding depreciation (based on current year figures) which is within the parameters of the reserves policy.

Investment Policy

The Board reviewed its Investment Policy during the year, finalising and approving a new policy in February 2023. The policy recognises two distinct pools of funds available for investment:

- An operating fund comprising surplus unrestricted and restricted funds. The purpose of this fund is to provide sufficient cash to meet the day-to-day financial obligations of the charity. The investment objectives include capital preservation and liquidity which limit the risk appetite for these funds. Funds are held in a mixture of current, short-term and medium-term bank deposits.
- A Permanent Endowment Fund comprising the capital of the Philip & Dorothy Green legacy for young musicians. The fund must balance returns to maintain the capital value of the endowment in perpetuity while providing income for subsidies, grants and awards within the purposes of the endowment. A diversified approach, using a pooled multi-asset fund helps mitigate the risk of volatility and exposure to one sector. At 31 December 2022, this fund was held in a mixture of short and medium-term bank deposits and the CAF Equitrack Fund.

The capital value of the CAF Equitrack Fund decreased by £3,694 this year to £135,810, (2021: an increase of £16,924 to £139,504). The capital value represents an increase of 13% in the amount originally invested (most recent addition in 2016). Investment income earned by the fund in the year was £4,523 (2021: £4,082).

Since the end of the year, the Board has been notified that the CAF Equitrack Fund will close in April 2023 and has decided to reinvest funds in the IFSL CAF ESG Income and Growth Fund to ensure consistency with the charity's ethical policies and values.

Going Concern and the Financial Impact of Covid-19

Despite a further fall in income this year, we have carefully managed our free reserves and retained our dedicated staff team to support an increasing number of member groups during the year.

We have drawn minimally from our unrestricted free reserves. Our financial forecasts for 2023 and 2024 expect to see a return to unrestricted net income.

Since the end of the financial year, membership retention for 2023 has remained steady with 95% of member groups renewing their subscription (2022: 95%). This reflects the resilience of our member groups and the value they place on their membership of Making Music.

However, 54% of members still renewed at the lowest subscription rate for 2023, an improvement compared to 64% for 2022, but not yet returning to 46% for 2020. This reflects the ongoing impact of the pandemic on our members' income. As total memberships exceeded 4,000 for the first time in 2022, we will be supporting more members but with significantly reduced income.

We are fortunate the timing of membership renewals and other income streams is heavily weighted to the first quarter of the year. By 31 March 2023, 88% of forecast income for 2023 had been earned, allowing us to make effective financial plans for the rest of the year.

At the date of approving the report and accounts, the Board believes there are no material uncertainties about the charity's ability to continue as a going concern and the financial statements are prepared on a going concern basis.

The Board's Finance & Compliance committee continues to monitor the developing economic situation, reviewing management accounts and reforecasts for 2023 and draft budgets for future years on a regular basis.

Other Principal Risks and Uncertainties

The Board has carried out a review of the major risks to which the charity is exposed and has put in place controls and activities to mitigate those risks which are within their control to influence.

Risk	Impact x Likelihood	Mitigation
Loss of group membership	5 x 3 = 15 (medium)	- Listen to sector on needs and deliver accordingly - Maintain & develop services and deliver them effectively - Focus on retention and recruitment - Support & development of staff team
Lack of financial sustainability	5 x 3 = 15 (medium)	- Prioritise member recruitment & retention - Develop earned income in our control - Help members maximise their income - External funding raised - Contain costs & keep reserves under review - Option to borrow from Endowment Fund from Spring 23
Weak governance	4 x 3 = 12 (medium)	- Ensure vision, mission, objectives and plan clear to Board, staff and members - Invest time and care in Board communications, development, induction & skills balance - Policies, procedures & processes in place with compliance oversight & training for staff, Board and volunteers - Keep abreast of regulatory changes and best practice - Seek professional advice where appropriate - Biannual review of risk assessment - Constitution amended to increase co-opted Board members
Infrastructure / Resources failure	5 x 3 = 15 (medium)	- Strong focus especially on up-to-date and fit for purpose IT infrastructure - Strong focus on cyber security and secure data management training and processes - Appropriate insurance policies - Best practice HR management, focusing on support and development of staff - Funding secured to add to staff capacity - Annual pay review, staff engagement survey, flexible/hybrid working arrangements
Reputational damage	3 x 2 = 6 (low)	- External representation guidelines for staff and Board - Emergency media plan in place - Communicating regularly within sector to foster understanding - Careful consideration of lobbying, advocacy & campaigning - Timely & appropriate response to public comments
Negative impact of environment	4 x 3 = 12 (medium)	- Regular and systematic monitoring of external environment for potential threats - Regular management meetings to evaluate and respond to changing circumstances - Addressing potential threats through proactive joint action with others - Supporting members to recognise and respond to threats

Structure, governance and management

Making Music is the trading name of the National Federation of Music Societies (NFMS). Its governing documents are its Memorandum and Articles of Association. At the Extraordinary General Meeting on 7 September 2022, these were updated to the new format Articles of Association and changes approved by members to the number of terms trustees could serve, and some other modernising alterations.

As well as being a registered charity in England and Wales, Making Music (NFMS) is a registered charity in Scotland and is a company limited by guarantee.

Making Music's Board of Directors is made up of 9 trustees elected by and from the membership and up to 5 trustees co-opted by the Board of Directors. The Chair, Vice Chair and Honorary Treasurer are elected by the Board from among their number and can serve in their role for up to two terms of three years each. Co-opted trustees can serve one term of three years each.

Every year, a third of elected trustees retire. Retiring trustees can put themselves forward again for election for a maximum two terms of three years each. A call is put out to members for nominations and when there are more nominations than vacancies, an election is held (this is usually the case), with the result announced at the Annual General Meeting.

When a new trustee is appointed or co-opted, they receive a full day induction from the Chief Executive and Chair, including on procedures, policies, strategy, and have an opportunity to meet all the staff of the charity.

Organisation

Overall responsibility for the Charity's strategy and direction rests with the Board of Trustees, which comprises all Directors. The carrying out of day-to-day activities is delegated to the staff under the management of the Chief Executive and Senior Management Team.

A remuneration committee of the Board sets the pay structure for all staff.

Subsidiaries

The charity has a trading subsidiary, NFMS Enterprises Ltd, whose accounts are reported separately and are consolidated into these accounts.



Music creator Carmel Smickersgill leading an Adopt a Music Creator recording session with Junior Leeds College of Music Ensemble Creative



Keswick Choral Society

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and regulations.

The Trustees are the company's Directors. Company law requires the Directors to prepare accounts for each financial year. Under that law they have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

In accordance with company law, the trustees, as the company's Directors, certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board on 22 May 2023.

By order of the Board

Clare Birks
Vice Chair and Treasurer

Opinion

We have audited the financial statements of National Federation of Music Societies (“the parent charitable company”) and its subsidiary (together “the group” for the year ended 31 December 2022, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory framework applicable to the preparation of the financial statements of the group, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: [the Companies Act 2006, the Charities Act 2011, Charities SORP, Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the group's operations and to avoid material penalties, including GDPR, employment law, and health and safety regulations.

Having reviewed the laws and regulations applicable to the group, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with sector experience to perform the audit;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with the laws and regulations;
- Obtained and reviewed meeting minutes;
- Obtained and reviewed correspondence with the regulator;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the group's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the group's systems and controls, including identifying any weaknesses and considering the risk of management override of controls;
- Assessing the susceptibility of the group's financial statements to material misstatements, including considering how fraud could occur;
- Considering if there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they were aware of any actual or suspected fraud;
- Reviewing the accounting policies and accounting estimates for signs of management bias; and
- Identifying key risks relating to irregularities as relating to management override of controls, the completeness of income and deferred income in relation to membership subscriptions, and the judgements used in accounting for the new website costs.

We then designed audit procedures in response to the risks identified, including reviewing journal entries, assessing management estimates and judgements, performing substantive analytical review supported by testing of underlying controls for income and deferred income, and corroborating the website costs accounting treatment to underlying documentation.

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities, including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.



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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A S Healey FCA CTA DChA (Senior Statutory Auditor)

For and on behalf of:

Lindeyer Francis Ferguson Limited

Statutory Auditor

Chartered Accountants

North House

198 High Street

Tonbridge

Kent TN9 1BE

Date: 31 May 2023

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 <i>Unrestricted funds</i>	2022 <i>Restricted funds</i>	2022 <i>Endowment funds</i>	2022 <i>Total funds</i>	2021 <i>Total funds</i>
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	39,829	73,369	-	113,198	165,617
Charitable activities	4	535,601	-	-	535,601	518,984
Other trading activities	5	39,555	-	-	39,555	29,327
Interest and dividends		5,845	8,580	-	14,425	7,377
Total		620,830	81,949	-	702,779	721,305
Expenditure on:						
Raising funds	6	16,085	-	-	16,085	13,743
Charitable activities	7	649,275	104,964	295	754,534	747,423
Total		665,360	104,964	295	770,619	761,166
Net (losses)/gains on investments	12	-	-	(3,694)	(3,694)	16,924
Net expenditure for the year	8	(44,530)	(23,015)	(3,989)	(71,534)	(22,937)
Transfers between funds		-	-	-	-	-
Net movement in funds		(44,530)	(23,015)	(3,989)	(71,534)	(22,937)
Reconciliation of funds:						
Total funds brought forward		363,840	131,967	329,264	825,071	848,008
Total funds carried forward	15	319,310	108,952	325,275	753,537	825,071



CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	10		-		-
Tangible assets	11		11,533		19,620
Investments	12		135,810		139,504
			<u>147,343</u>		<u>159,124</u>
Current assets					
Debtors	13	190,957		84,053	
Cash at bank and in hand		<u>1,312,444</u>		<u>1,378,263</u>	
		1,503,401		1,462,316	
Creditors: amounts falling due within one year	14	<u>(897,207)</u>		<u>(796,369)</u>	
Net current assets			606,194		665,947
Total net assets			<u><u>753,537</u></u>		<u><u>825,071</u></u>
The funds of the charity:					
Endowment funds			325,275		329,264
Restricted funds			108,952		131,967
Unrestricted funds			<u>319,310</u>		<u>363,840</u>
	15		<u><u>753,537</u></u>		<u><u>825,071</u></u>

The financial statements were approved by the Board of Trustees on 22 May 2023 and were signed on its behalf by:

Clare Birks
Trustee

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2022



	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	10		-		-
Tangible assets	11		11,533		19,620
Investments	12		135,814		139,508
			<u>147,347</u>		<u>159,128</u>
Current assets					
Debtors	13	223,761		88,248	
Cash at bank and in hand		<u>1,277,141</u>		<u>1,373,062</u>	
		1,500,902		1,461,310	
Creditors: amounts falling due within one year	14	<u>(894,712)</u>		<u>(795,367)</u>	
Net current assets			606,190		665,943
Total net assets			<u><u>753,537</u></u>		<u><u>825,071</u></u>
The funds of the charity:					
Endowment funds			325,275		329,264
Restricted funds			108,952		131,967
Unrestricted funds			<u>319,310</u>		<u>363,840</u>
	15		<u><u>753,537</u></u>		<u><u>825,071</u></u>

The financial statements were approved by the Board of Trustees on 22 May 2023 and were signed on its behalf by:

Clare Birks
Trustee

Company number: 308632



CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash (used in) operating activities	A	(78,704)	(41,443)
Cash flows from investing activities:			
Dividends and interest from investments		14,425	7,377
Proceeds from sale of piano		-	16,667
Purchase of tangible fixed assets		(1,540)	(8,093)
Net cash provided by / (used in) investing activities		12,885	15,951
Change in cash and cash equivalents in the year		(65,819)	(25,492)
Cash and cash equivalents at the beginning of the year		1,378,263	1,403,755
Cash and cash equivalents at the end of the year		1,312,444	1,378,263
A. Reconciliation of net income / (expenditure) to net cash flow from operating activities			
Net (expenditure) for the year		(71,534)	(22,937)
Depreciation and amortisation charges		9,627	14,896
Losses/(gains) on investments		3,694	(16,924)
Dividends and interest from investments		(14,425)	(7,377)
(Gains) on sale of fixed assets		-	(2,867)
(Increase)/decrease in debtors		(106,904)	31,390
Increase/(decrease) in creditors		100,838	(37,624)
Net cash (used in) operating activities		(78,704)	(41,443)



1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with "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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Making Music meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Basis of consolidation

The consolidated financial statements incorporate those of Making Music and its wholly owned subsidiary undertaking, NFMS Enterprises Limited. All intra-group transactions and balances are eliminated on consolidation.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group 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.

Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds. Where grants are received in response to a proposal including a budgeted timescale, such that the timescale for the expenditure is implicit in the grant agreement, the income is recognised in accordance with that timescale.

Income from legacies is recognised when there has been a grant of probate, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached are within the control of the charity or have already been met.

Income from charitable activities is recognised over the period to which the income relates. Membership subscriptions are recognised on a straight line basis over the term of the subscription.

Gifts in kind are only included in the financial statements when the charity is entitled to them, when it is probable that the charity will receive the economic benefits, and when the fair value or value to the charity, as appropriate, can be measured with sufficient reliability.

Investment income is recognised when receivable. Interest is accounted for as accrued income where it is due but has not yet been credited.



1 ACCOUNTING POLICIES continued

Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Grants payable are recognised when a commitment has been communicated to the beneficiary.

Staff costs have been allocated to expenditure headings on the basis of an estimate of the amount of time spent by staff members in each area.

Support costs have been allocated to charitable activities on the basis of direct staff costs.

Support costs are those functions that assist the work of the charity but do not directly relate to the charitable activities, and include governance costs.

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 the 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.

The permanent endowment fund relates to a legacy from Philip & Dorothy Green for young musicians. The net income is transferred to a separate restricted fund.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	7-33% on the reducing balance basis
Computers and website	33% on the straight line basis
Piano	8% on the straight line basis

Assets costing less than £500 are not capitalised but are recognised as expenditure in the Statement of Financial Activities in the year incurred.

Intangible fixed assets and amortisation

Intangible fixed assets are recognised when it is probable that future economic benefits will be realised and the cost or value of development can be measured reliably. They are stated at cost less amortisation. The cost of the asset comprises its purchase price and directly attributable costs of preparing the asset for its intended use. This includes employee costs arising from the generation of the intangible asset. Expenditure on research is expensed. Completed assets are amortised over their useful economic life.

Music catalogue copyright licences	5% on the straight line basis
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Investments

Listed investments are stated at fair value. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities.

Investments in subsidiary undertakings are stated at the lower of cost and net realisable value.



1 ACCOUNTING POLICIES continued

Financial instruments

Other than listed investments, the charity only has financial instruments of a kind that qualify as basic financial instruments. Short term basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period to which the entitlement relates.

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

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 STATUS

Making Music is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 8 Holyrood Street, London SE1 2EL.

3 INCOME FROM DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	23,892	25,420
Grants	89,209	134,625
Legacies	97	5,572
	<u>113,198</u>	<u>165,617</u>

In the preceding period, donation income of £134,463 and total income of £139,618 was restricted.

In 2021, Making Music received various gifts in kind towards Make Music Day 2021, including musical arrangements and event and marketing support from Music for All, Team London Bridge, Hal Leonard Europe and other partner organisations. The value of these gifts could not be estimated with sufficient reliability for inclusion in the financial statements. The activities of Make Music Day transferred to a new organisation in 2022.

4 INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Membership subscriptions	450,454	456,062
Member services	85,147	62,922
	<u>535,601</u>	<u>518,984</u>



5 INCOME FROM OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Advertising	22,951	17,226
Rental income	16,000	8,899
Other income	604	3,202
	39,555	29,327

6 EXPENDITURE ON RAISING FUNDS

	2022	2021
	£	£
Staff costs	6,397	5,331
Advertising agent commission	8,001	6,267
Other fundraising costs	1,687	2,145
	16,085	13,743

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	2022	2022	2022	2021
	Supporting	Supporting	Total	Total
	members	leisure-time	Total	Total
	£	music	£	£
Staff costs	321,329	61,533	382,862	344,304
Direct costs	85,090	22,988	108,078	159,496
Publication costs	24,806	-	24,806	22,266
Promoter subsidies	4,499	-	4,499	5,537
Event costs	1,837	-	1,837	633
Grants payable	8,350	-	8,350	4,600
Support costs allocated	188,085	36,017	224,102	210,587
	633,996	120,538	754,534	747,423

Support costs comprise:

Support staff costs	79,072	81,911
Other staff costs	6,745	5,257
Marketing	25,542	15,997
Premises and office costs	88,168	79,679
Depreciation	9,627	14,896
Legal and accountancy fees	2,034	2,682
Other costs	5,089	3,197
Governance costs:		
Trustee expenses	925	618
Audit fees	6,900	6,350
	224,102	210,587

In the preceding period, expenditure of £188,420 came from restricted and endowment funds.



8 NET EXPENDITURE

	2022 £	2021 £
Net expenditure is stated after charging/(crediting):		
Depreciation	9,627	14,896
Auditors' remuneration for audit services	6,900	6,350
Auditors' remuneration for non-audit services	185	985
Operating lease rentals	38,887	39,476

As permitted by s408 Companies Act 2006, the parent charity has not presented its own Statement of Financial Activities and related notes. The parent charity's net expenditure for the year before investment gains/losses was £80,164 (2021: net expenditure £46,875).

9 STAFF COSTS

	2022 £	2021 £
Gross salaries	420,541	387,303
Employer's National Insurance contributions	35,364	30,346
Employer's pension contributions	12,426	11,749
Redundancy payment	-	2,148
	468,331	431,546

No termination payments were paid during the period (2021: one).

There were no employees with employment benefits (excluding employer pension contributions) of more than £60,000 in the current nor preceding period.

At the balance sheet date, there were no unpaid pension contributions (2021: £14).

The average number of employees during the year was 16 (2021: 17). The average number of full-time equivalent employees was 12 (2021: 12).

10 INTANGIBLE FIXED ASSETS

Group and charity	£
Cost brought forward and carried forward	1,500
Amortisation brought forward and carried forward	1,500
Net book value at 31 December 2021 and 2022	-

Towards the end of the year, the charity made a contractual commitment of £83,589 for the development of a new website and digital delivery portal in 2023 which is due for delivery in early 2024 and will be treated as an intangible fixed asset. Research expenditure for this project of £21,778 was recognised as expenditure in 2022, funded by a designated fund set aside for this purpose in previous years. This research cost will not be capitalised as part of the cost of the intangible asset.



11 TANGIBLE FIXED ASSETS

Group and charity	<i>Fixtures, fittings and equipment</i> £	<i>Computers and website</i> £	<i>Total</i> £
Cost			
Brought forward at 1 January 2022	17,426	132,733	150,159
Additions	-	1,540	1,540
Disposals	-	-	-
Carried forward at 31 December 2022	17,426	134,273	151,699
Depreciation			
Brought forward at 1 January 2022	10,963	119,576	130,539
Charged for the year	647	8,980	9,627
Disposals	-	-	-
Carried forward at 31 December 2022	11,610	128,556	140,166
Net book value			
At 31 December 2022	5,816	5,717	11,533
At 31 December 2021	6,463	13,157	19,620

12 INVESTMENTS

Group	2022 £	2021 £
Listed investments		
Fair value at 1 January 2022	139,504	122,580
Unrealised gains and losses	(3,694)	16,924
	135,810	139,504
Realised gains and losses	-	-
Per Statement of Financial Activities	(3,694)	16,924

In addition, the charity has an investment of £4 (2021: £4), being a holding of 100% of the ordinary share capital, in NFMS Enterprises Limited (company number 02844532), its trading subsidiary. NFMS Enterprises Limited is a company registered in England and Wales with number 02844532. Its registered office is 9 Holyrood Street, London SE1 2EL. All of its profits are covenanted to the parent charity.

The subsidiary contributed turnover of £68,504 (2021: £48,001), expenditure of £56,180 (2021: £40,988) and a profit to the charity of £12,324 (2021: £7,013). At the balance sheet date, the subsidiary had net assets of £4 (2021: £4).



13 DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	77,736	53,202	73,788	52,783
Amounts owed by group undertakings	-	-	38,981	7,014
Prepayments and accrued income	113,060	30,476	110,831	28,076
Other debtors	161	375	161	375
	<u>190,957</u>	<u>84,053</u>	<u>223,761</u>	<u>88,248</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade and other creditors	378,780	380,592	378,704	380,591
Deferred subscription income	426,823	378,657	426,823	378,657
Accruals and other deferred income	76,719	34,786	75,346	33,509
Tax and social security	14,885	2,334	13,839	2,610
	<u>897,207</u>	<u>796,369</u>	<u>894,712</u>	<u>795,367</u>

Included in trade and other creditors are insurance premiums of £250,068 (2021: £351,743) collected from members by Making Music as agent on behalf of the insurer. Also included are PRS contributions of £3,653 (2021: £15,175) collected from members to be remitted to PRS after the year end.

The movement on deferred membership subscriptions is as follows:

Group and charity	2022 £	2021 £
Balance at 1 January 2022	378,657	405,777
Released to income	(378,657)	(405,777)
Received in the year and deferred	426,823	378,657
Balance at 31 December 2022	<u>426,823</u>	<u>378,657</u>



15 MOVEMENT ON FUNDS

CURRENT YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	329,264	(3,989)	-	325,275
Restricted funds				
Philip and Dorothy Green income fund	106,308	25,360	(55,610)	76,058
Adopt a Music Creator	-	(12,716)	36,716	24,000
P & D Green Young Artists fund	-	(18,894)	18,894	-
Make Music Day	16,851	(16,851)	-	-
Other restricted funds	8,808	86	-	8,894
	131,967	(23,015)	-	108,952
Unrestricted funds				
Designated funds	80,722	(26,277)	(5,000)	49,445
General fund	283,118	(18,253)	5,000	269,865
	363,840	(44,530)	-	319,310
Total funds	825,071	(71,534)	-	753,537

<i>Current year net movement comprises:</i>	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (losses)</i> £	<i>Net movement</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	(295)	(3,694)	(3,989)
Restricted funds				
Philip and Dorothy Green income fund	25,560	(200)	-	25,360
Adopt a Music Creator	50,000	(62,716)	-	(12,716)
P & D Green Young Artists fund	-	(18,894)	-	(18,894)
Make Music Day	2,235	(19,086)	-	(16,851)
Other restricted funds	4,154	(4,068)	-	86
	81,949	(104,964)	-	(23,015)
Unrestricted funds				
Designated funds	-	(26,277)	-	(26,277)
General fund	620,830	(639,083)	-	(18,253)
	620,830	(665,360)	-	(44,530)
Total funds	702,779	(770,619)	(3,694)	(71,534)



15 MOVEMENT ON FUNDS continued

PRIOR YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	312,579	16,685	-	329,264
Restricted funds				
Philip and Dorothy Green income fund	124,982	20,912	(39,586)	106,308
Adopt a Music Creator	18,968	(37,643)	18,675	-
P A Thompson fund	12,100	(12,100)	-	-
P & D Green Young Artists fund	-	(19,477)	19,477	-
Make Music Day	15,205	1,646	-	16,851
Arts Council England CRF2	-	-	-	-
Other restricted funds	6,498	876	1,434	8,808
	177,753	(45,786)	-	131,967
Unrestricted funds				
Designated funds	91,936	(21,214)	10,000	80,722
General fund	265,740	27,378	(10,000)	283,118
	357,676	6,164	-	363,840
Total funds	848,008	(22,937)	-	825,071
Prior year net movement comprises:	Income £	Expenditure £	Gains/ (losses) £	Net movement £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	(239)	16,924	16,685
Restricted funds				
Philip and Dorothy Green income fund	21,102	(190)	-	20,912
Adopt a Music Creator	-	(37,643)	-	(37,643)
P A Thompson fund	-	(12,100)	-	(12,100)
P & D Green Young Artists fund	-	(19,477)	-	(19,477)
Make Music Day	66,513	(64,867)	-	1,646
Arts Council England CRF2	44,429	(44,429)	-	-
Other restricted funds	10,351	(9,475)	-	876
	142,395	(188,181)	-	(45,786)
Unrestricted funds				
Designated funds	-	(21,214)	-	(21,214)
General fund	578,910	(551,532)	-	27,378
	578,910	(572,746)	-	6,164
Total funds	721,305	(761,166)	16,924	(22,937)



15 MOVEMENT ON FUNDS continued

Philip and Dorothy Green endowment and restricted funds

This endowment enables us to provide grants, awards, prizes, donations or financial sponsorship to young musicians. Income is transferred to project funds including the P & D Green Young Artists fund which enables young musicians at the start of their career to gain vital concert and recital experience across the UK. The scheme also allows Making Music member groups to tap into some of the very best young musical talent to programme into their concert. Income from the endowment also part-funds the Adopt a Music Creator project, run annually by Making Music since 2000 and the Awards programme for composers and arrangers.

Adopt a Music Creator

This project enables us to pair a leisure-time ensemble with an emerging composer. It provides a unique opportunity for leisure-time musicians to work directly with a composer, be actively involved in the creative process and discover new music. The project is funded by the PRS for Music Foundation and the Philip and Dorothy Green fund. Separate funding for the project in Scotland is received from Creative Scotland.

P A Thompson fund

The objective of the Pauline Thompson legacy fund was to encourage young people aged 15 to 35 to join amateur music groups. It enabled us to employ a part-time Youth Engagement Manager and extend repertoire to attract young people to sing/play in different types of mixed age music groups. The project completed during 2021 and the fund was fully spent.

Make Music Day fund

Make Music Day is an international celebration of grassroots musical activity which takes place in 125 countries across the globe on 21 June each year. In the UK, this was co-managed by us, with funding from Arts Council England, NAMM, Musicians Union and Music For All until the end of the 2021 project. The 2022 Make Music Day project was managed by a new company, Make Music Day UK Ltd.

Arts Council England Cultural Recovery Fund 2

The objective of this fund was to support cultural organisations as they transitioned back to a viable and sustainable operating model following the winter 2021 Covid lockdown. The funding covered a specific period: April to June 2021, and enabled us to return staff from furlough and invest in supporting members as they restarted activity.

Other restricted funds

These funds enable us to make a number of awards, bursaries, and prizes to individual musicians, groups, and organisations in both the voluntary and professional sector. Some of these, such as the Sir Charles Groves Prizes, recognise lifelong contributions to the musical life of the UK.

Designated funds

The designated funds are intended for use on a new website and artist subsidies.



16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	2022 <i>Unrestricted funds</i> £	2022 <i>Restricted funds</i> £	2022 <i>Endowment funds</i> £	2021 <i>Total funds</i> £
CURRENT YEAR				
Fixed assets	11,533	-	135,810	147,343
Net current assets	307,777	108,952	189,465	606,194
	<u>319,310</u>	<u>108,952</u>	<u>325,275</u>	<u>753,537</u>
PRIOR YEAR				
Fixed assets	19,620	-	139,504	159,124
Net current assets	344,220	131,967	189,760	665,947
	<u>363,840</u>	<u>131,967</u>	<u>329,264</u>	<u>825,071</u>
Charity				
CURRENT YEAR				
Fixed assets	11,537	-	135,810	147,347
Net current assets	307,773	108,952	189,465	606,190
	<u>319,310</u>	<u>108,952</u>	<u>325,275</u>	<u>753,537</u>
PRIOR YEAR				
Fixed assets	19,624	-	139,504	159,128
Net current assets	344,216	131,967	189,760	665,943
	<u>363,840</u>	<u>131,967</u>	<u>329,264</u>	<u>825,071</u>



17 FINANCIAL COMMITMENTS

At 31 December 2022 the charity was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Due within one year	38,887	38,887
Due in two to five years	56,233	95,120

Towards the end of the year, the charity made a contractual commitment of £83,589 for the development of a new website and digital delivery portal in 2023 which is due for delivery in early 2024.

18 RELATED PARTY TRANSACTIONS

The key management personnel are considered to be the trustees, the Chief Executive, the Membership & Operations Director, the Finance Director, the Communications Director and from 1 August 2022, the Deputy CEO. This new part-time role focuses on our advocacy and lobbying work, funded by an unrestricted three-year grant from the Esmée Fairbairn Foundation (EFF).

The total amount of employee benefits (including employer's national insurance and pension contributions) received by key management personnel during the year was £183,242 (2021: £161,879).

There were no Trustees' remuneration or other benefits during the current or prior period.

Trustees were reimbursed expenses of £468 (2021: £133), in respect of three (2021: two) trustees for travel and subsistence costs. Ms Clare Birks is related to the owner of the property leased by the charity. The amount of the lease charge payable per annum is £36,996 (2021: £36,996). Ms Birks is excluded from any discussions on property-related matters and the rent was negotiated on an arm's length basis.

Accounts



NATIONAL FEDERATION OF MUSIC SOCIETIES

Trading as Making Music

Annual Report and Financial Statements

For the year ended 31 December 2021

Company Number 308632

Registered Charity in England and Wales Number 249219

Registered Charity in Scotland Number SC038849

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Blackpool Symphony Orchestra rehearse with distancing



North Kingston Choir rehearse in a school playground

Reference and administrative details

Name of Charity	National Federation of Music Societies trading as Making Music	
Company Number	308632	
Charity Number	249219 (England) SC038849 (Scotland)	
Principal Office & Registered Office	8 Holyrood Street London SE1 2EL	
Directors and Trustees	Dorothy Wilson MBE FRSA Clare Birks Celeste Berteau Peter Burchill Abigail Charles Robert Guest Paul Graham Rhiannon Harrison Edward-Rhys Harry Paul McKinley Carol Pemberton MBE Andrew Rixon Valerie Taylor Neil Weir	<i>Chair</i> <i>Vice Chair & Treasurer</i> resigned 11 March 2022 appointed 8 September 2021 retired 8 September 2021 appointed 30 May 2022 appointed 30 May 2022
Key Management	Barbara Eifler Helen Evans Ben Saffell Natalie Joanes	<i>Chief Executive</i> <i>Finance Director</i> <i>Membership & Operations Director</i> <i>Communications Director</i>
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ	Flagstone Investment Management Clareville House 26-27 Oxendon Street London SW1Y 4EL
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE	
Independent Auditor	Amy S Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE	

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited group and parent charity financial statements for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, current statutory requirements and 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) - (Charities SORP).



Arun Choral society rehearse socially distanced in a barn



Andover Ladies Choir rehearse indoors with measures in place

Making Music - who we are

Making Music is a charity and the UK association for leisure-time music, with 3,800+ music groups in membership, comprising around 220,000 hobby musicians.

We support our members with practical services and artistic development opportunities, we connect them with each other, the wider sector and relevant other organisations, and we celebrate and advocate for the leisure-time music sector and its benefits - physical, social, psychological, educational, economic - to individuals, communities and policy makers.

Summary of the year

2021 was still dominated by Covid-19, but marked by a gradual, if stuttering, return to some in-person activity.

Starting with a lockdown for the first quarter, restrictions were gradually lifted for music groups in England, but there was consternation when from May 2021 all music groups were able to meet indoors and outdoors in greater numbers bar choirs which remained limited to the now infamous 'rule of 6' for an additional two months.

Meanwhile, the other UK nations were a little slower in removing restrictions. Throughout 2021, therefore, Making Music was constantly re-evaluating what leisure-time music groups could or could not do, how they might go about organising safe rehearsals and performances, and **lobbying governments for clarity on rules and parity with other grassroots** community activity, such as sport clubs.

Making Music continued to adapt its guidance and resources rapidly to the changing situation. Our **acclaimed free online guidance tool** gave (and continues to give) up-to-date detail on the regulations affecting both rehearsals and performances in the four nations **viewed 1.4m times in 2021 (2.6m times since its launch in July 2020 to March 2022).**

As in-person activity gradually resumed, our Virtual Concerts (started 2020) concluded, but the **appetite for digital learning continued** - we published more resources and ran webinars on various topics, including outside broadcast software. This partly reflected groups' newly found skills which many are continuing to deploy to run the group (e.g. in a hybrid fashion) and to share its content. But it was also a sign of the increasingly large disparity between those keen to resume in-person activity as soon as allowed and those reluctant to get together with others in an enclosed room, meaning that many groups started mastering the art of hybrid events in order to accommodate both ends of these divergent personal risk thermostats, for both members and audiences.

The longer the lockdown had lasted in a nation, the harder the return to live meetings became. More and more, therefore, as well as learning how to create safe events, **committees were also wrestling with the wide range of opinions amongst their members** and finding themselves often at risk of displeasing most of the people most of the time, whatever they decided.

This led, anecdotally, to more than usual of these dedicated volunteers, overwhelmed by these challenges, choosing to step down or retiring. That development will mean a **shortage of volunteers** if left unchecked, and is likely to continue in 2022, making an existing pre-pandemic issue much more acute.

Another challenge rising to the surface in 2021 with the return of activity was that of **rehearsal spaces and performance venues**. Again, this was a rumbling problem before Covid which has now been thrown into stark relief:

- Some buildings were slow to re-open, or did not re-open at all; volunteers running buildings were facing the same disagreements and fears as volunteers on group committees, and many feeling themselves unequal to carrying the burden of what could be life and death decisions, chose simply to stay closed
- Adequate ventilation is not available in much of the UK's building stock, especially older community or faith buildings frequently used by our members
- Many groups were looking for larger venues to accommodate social distancing, but were struggling to find or afford such venues
- Additional issues were created by how a venue handled Covid.

Finally, leisure-time music groups were significantly impacted financially, with nearly **two thirds now having a turnover below £7,200** where pre-pandemic fewer than half of them were so small. Their income will of course rebuild, but to ensure groups survive to see that day, and to help speed up post-Covid recovery, including additional costs incurred for risk mitigations, we found ourselves providing more funding guidance and support than we would in more usual times.

The other significant piece of work we embarked on was to review our **Equality, Diversity and Inclusion** policy and to spend time and effort on developing a detailed EDI plan to sit alongside it. We are looking to achieve real change in terms of removing barriers to access and increasing the diversity of voices involved in Making Music on three levels:

1. Making Music itself, its team and volunteers, including its Board of Trustees
2. Making Music's member groups, in terms of their genres and types, our offer to community groups, and how/where it is communicated
3. Helping Making Music's member groups themselves to increase access to their activity and become more inclusive and representative of the diversity in their respective communities.

Objectives and activities

What does Making Music do?

- **Support members:** practical services and artistic development opportunities; facilitate and build connections, to enable everyone and anyone to set up and run a leisure-time music group, and for groups to keep growing, find inspiration and aspire to excellence; celebrate and highlight our members' achievements; and stand up for their needs with policy makers and other stakeholders.
- **Support leisure-time music:** stand up for and celebrate the leisure-time music sector (of which our members are part) to policy makers so that policy can take into account the individual and community benefits of participating in music as a hobby; and to the general public so that more new people are able to draw down such benefits and may be encouraged to join one of our member groups.

Our vision

Everyone has opportunities within reach to make and present their kind of music with others.

Our mission

Making Music is a membership organisation which supports, stands up for and celebrates groups of people making and presenting music together in their leisure time across the UK.

Our objectives

Our current business plan, due to end 2021, was extended for an additional year due to the impossibility of future-gazing whilst the pandemic was still in full flow, therefore Making Music during 2022 will continue to ...

1. **Support members:** Help Making Music groups become stronger and better able to connect with new members and audiences.
2. **Support members/support leisure-time music:** Stand up for and celebrate Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK.
3. **Support members/support leisure-time music:** Invite and welcome all kinds of music groups to become part of the Making Music community.

How do our activities benefit the public?

Our main activities and who we support are described below. All our charitable activities focus on our charitable objective to 'maintain, improve and advance education by promoting the art and practice and public performance of music throughout the United Kingdom and in other countries' and are delivered to further that charitable purpose for the public benefit. The trustees have complied with their duty to have regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

The trustees are confident that Making Music's activities offer public benefit:

- All individuals in society have the potential to benefit from the activities of Making Music, for example its publicly available search facility on the website ('Find a Group'), and from the activities of its members, either by joining a leisure-time music group or experiencing their performances, workshops and other events.
- Making Music's advocacy work is of benefit to all, whether or not they are involved in music already, by seeking to maintain or establish an environment in which live music-making by and for everyone can flourish and be available to participants and audiences in communities across the UK.
- In 2021, Making Music's popular online Covid guidance tool, accessible to all, allowed music groups to understand what activity they were permitted to undertake at any given time in any of the four nations of the UK, with almost daily updates at times.
- There are no restrictions on membership of Making Music, any leisure-time music group can become an Associate Member, although Full Membership is restricted to not-for-profit constituted groups.

- Financial assistance with joining Making Music is considered in cases of individual hardship. Since 2015 Making Music has had a specially reduced rate (50% discount) for new groups just setting up and for youth groups (25%) where participants are 21 or under.

How does society benefit?

Leisure-time music groups made up of hobby musicians create many benefits for the individuals taking part in their musical activity; for the individuals experiencing the resulting performances; and for the communities in which they are active.

- **For individuals**, there is now a large and growing body of research which provides clear evidence of the social, educational, physical and mental health and well-being benefits of group music activity.
- **For society**, there is a developing evidence base to show that connectedness across socio-economic and cultural divides within communities through group activity brings many benefits to a local area, including making it a more desirable place to live and work, contributing to place-making and regeneration.
 - Leisure-time music groups also raise millions of pounds annually for local charities and community resources.
 - For their audiences, the events our members present may be the only locally available and accessible live music, so for them, too, there are social, educational and well-being benefits.
 - These locally created and promoted events also play a significant part in generating pride of place and raising the ambitions of a community.
- **For the economy**, these groups collectively have a significant financial impact. Whilst small individually (83% have a turnover of below £14.5k a year), they are estimated to be around 13,500 in number across the UK, comprising around 750,000 participants. 98% of them engage professional musicians in some capacity (conductors, soloists, accompanists, etc.), with fees an estimated £86.4m a year; commissioning 2,000 new pieces of music annually; spending significantly with suppliers such as music publishers (£6.4m a year), retailers (instruments, accessories), on promotion, etc.

All these benefits are created by usually very small volunteer-led and run groups. Making Music's support enables them to continue providing these benefits to individuals and society and facilitates more and different people benefitting by joining or setting up such music groups.

“ Making Music has been absolutely fantastic throughout the pandemic and it has been so good to be able to speak to others all across the UK and beyond and hear how they have coped, discuss ideas and just support each other so, to hear some of the wonderful projects people have worked on during this time is truly inspirational...” ”

Making Music member

Thanks

The Board would like to thank the staff throughout the UK who continue to put in huge efforts on behalf of members. We are fortunate that every member of staff is deeply committed to the cause of live music-making in communities. In 2021, whilst still often working from home, not always in ideal circumstances, they continued tirelessly to support members and respond to their needs.

Our thanks also go to the funders who supported activity during 2021. These are: Arts Council England (ACE); Creative Scotland; PRS for Music Foundation; Philip & Dorothy Green Music Trust; Pauline Thompson legacy.

Making Music also owes its 98 volunteers a large debt of thanks and would like to take this opportunity to thank them and pay tribute to their dedication and enthusiasm:

1 President, 12 Board members, 65 Listeners, 9 Selected Artists Panel members, 2 Funding volunteers, 2 Digital volunteers, 1 Web Content volunteer, 4 Member Contact volunteers and 2 Office volunteers.

Achievements and performance

1. Supporting members

Helping Making Music groups become stronger and better able to connect with new members and audiences, practical services and artistic development opportunities.

Our tailor-made affordable insurance covers all aspects of leisure-time music group activity and is made possible by our buying power on behalf of over 3,800 groups.

- **93% of members took insurance in 2021 (2020: 94%)**

We offer:

Guidance on Performing Right Society (PRS) responsibilities and a way of declaring and paying PRS royalties for performances in unlicensed venues via us, with a discount. In 2021, there was still only limited in-person activity, so we will again be collecting a reduced amount in terms of royalties (compared to pre-pandemic) in 2022.

- **£15,634 royalties collected from members (2020: £48,421)**

Safeguarding guidance, templates, training, online resources, Disclosure & Barring Services checks.

- **259 DBS checks carried out (2020: 191)**
- **54 people from 24 groups (2020: 34 people from 13) undertook specially developed online safeguarding training**
- **141 page views of online safeguarding guidance (2020: 312)**

Advice and support via email or telephone from friendly and well-trained staff who understand how groups are run and what their issues are; this continued to be an important and valued service in 2021. We also carried on open-access online member meet-ups with break-out rooms facilitated by staff which enabled members to ask questions on topics of concern.

- **Over 1,315 phone calls with 981 groups, in line with 2019 activity (2020: over 2,390, with 1,058 relating to Covid)**

200+ online resources in three categories: ‘have to know or do’; ‘help to run the group better’; ‘inspiration for a brighter future’. Resources include written and audio-visual guidance, template policies and contracts, case studies and online tools. In 2021, Making Music continued to produce new resources to support members with Covid questions and issues in three categories: *legal/compliance* during Covid-19, including guidance on permitted activity; ‘*how-tos*’, e.g. rehearse on Zoom, edit audio and video, risk assess for in-person return; *inspiration*, how to keep up social and musical activity remotely during the pandemic. However, we also returned to creating resources on non-Covid related topics.

- **42 new online resources (2020: 54)**
- **573,429 unique views of resources pages (2020: 391,083)**
- **1.43m total website page views (2020: 1.55m)**

Dissemination of information: Highnotes membership magazine three times a year; iNotes monthly e-newsletter; emails on specific opportunities.

- **6,890 received Highnotes (2020: 7,030)**
- **12,805 on iNotes mailing list (2020: 11,587)**
- **194 broadcast emails to 816,251 recipients (2020: 209 to 677,744)**

Discounts and subsidies: discounts negotiated with corporate members and partners; subsidies towards cost of engaging professional musicians; in 2021, in-person events were still restricted, so artists’ subsidies continued to be used also for online events and livestreaming.

- **Subsidies of £4,600 to 22 groups towards engaging Philip & Dorothy Green Young Artists, including 2 livestreamed recitals; (2020: £6,500 to 29 groups)**
- **Subsidies of £2,700 for livestreaming recitals from other artists (2020: £600)**
- **Subsidies of £1,711 to 18 groups towards artists’ costs (2020: £1,775 to 14 groups)**

Specific services: e.g. charity registration service, Orchestra Tax Relief (OTR) service, MM Platform (online admin/website template). In 2021, these services continued to be provided, although reduced OTR numbers reflect the cancellation or inability to arrange concerts during Covid.

- **18 groups helped to register as charities (2020: 11)**
- **4 new groups claimed Orchestra Tax Relief (2020: 15)**
- **44 successful OTR claims (2020: 54)**
- **£56,554 OTR claimed for members (2020: £149,280)**
- **80 MM Platforms set up (2020: 70)**

Promotion: 'Find a group' online tool enables the public to discover a leisure-time music group near them; vacancies allow groups to engage the music professionals they need; from events listings the public can discover performances in their area. In 2021, **some** of these tools started being used more again as groups' in-person activity started returning.

- **47,689 Find a Group pages viewed (2020: 50,018)**
- **66,313 Vacancy pages viewed (2020: 58,929)**
- **86,531 Events pages viewed total, including MM events (2020: 94,046)**

Artistic development: Adopt a Music Creator; legacy pieces free to Making Music groups. In 2021, the 2019/20 and the 2020/2021 cohort of groups matched with music creators continued working. Five of the seven 2019/2020 pairings managed to conclude their projects by the end of the year, however none of the 2020/2021 projects concluded due to Covid; so we adjusted the timeline to start the next cohort in January 2022.

- **2020/2021: 7 additional music creators 'adopted' by 8 groups (one collaboration between 2 groups) (2019/20: 7 by 7 groups)**

Artistic development: support for instrumental group conductors. In 2021, there was one event in between lockdowns.

- **Masterclass for conductors with Sing for Pleasure's Head of Conducting Manvinder Rattan, 6 attendees**

Programming and repertoire inspiration via our online Music Bank database and via Musica International, a choral database to which we subscribe to give our members full access.

- **18,777 artistic works listed (2020: 18,777)**
- **13,243 items of sheet music available through member-to-member exchange (2020: 13,682)**
- **5,693 programme notes available free (2020: 5,693)**
- **10,718 Music Bank webpages viewed (2020: 10,932)**

Our annually published Selected Artists guide details artists available with subsidies for engagements with leisure-time music groups. In 2020, the guide was published later than usual and it will now continue to run until February 2023 when it will become an online database and resource as part of our new website.

Events: in 2021, we continued to deliver all our events online, involving a high number of our members. We ran the annual general meeting, our awards ceremony, a Making Music (consultative) Council, general member meet-ups, separate meet-ups in each UK nation, expert/speaker-led events, and events focussed on specific topics, with high attendance and incredibly positive feedback.

- **70 online events for 4,159 attendees (2020: 15 in person events and 74 online events for 3,974 attendees)**

	Info & Advice events	General meetups (incl. nation specific)	Guest speaker events	All events
No. of events	49 (36)	11 (34)	10 (4)	70 (89)
Total number of event attendees	n/a	n/a	n/a	4159 (3974)
Unique attendees	1286 (n/a)	314 (n/a)	1016 (n/a)	2313 (3974)
First-time attendees	708 (n/a)	82 (n/a)	525 (n/a)	1479 (1315)

“ *Thank you for the great presentation. As usual, it was thoroughly researched and clearly presented... stellar work, especially considering how much confusion and uncertainty is still swirling around government's ever-shifting guideline ...* ”

Making Music member

We held one online Making Music Council meeting

- **1 meeting for all 4 nations (2020: 6 in 4)**
- **77 attendees (2020: 82)**

We benefitted 2.2% (2020: 1.5%) more groups, showing the impact of a dedicated marketing manager since November 2020.

- **3,196 full members (2020: 3,146)**
- **302 associate members (2020: 311)**
- **415 affiliate members (2020: 371)**
- **TOTAL 3,913 (2020: 3,828)**

This breaks down as supporting:

- **2,138 singing groups - 55% of members (2020: 2,113; 55%)**
- **1,371 instrumental groups - 35% of members (2020: 1,293; 34%)**
- **404 promoters - 10% of members (2020: 448; 11%)**

Groups' annual income based on their published 2020/2021 accounts (2019/20 in brackets):

- **Less than £7.2k: 64% (50%) (compared to 46% pre-pandemic)**
- **£7.2k-14.5k: 19% (23%)**
- **14.5k-£21k: 7% (10%)**
- **£21k-£31k: 4% (7%)**
- **£31k-£100k 6% (8%)**
- **More than £100k: 2% (2%)**

With no event ticket income and in most cases reduced subscription income from their participants during most of 2020 and 2021, **the full impact of the 2020/21 standstill in activity was seen even more starkly when groups renewed for 2022.**

2. Supporting leisure-time music / supporting members

Stand up for Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK

This strand of our activity changed in 2020, becoming a much more vital part of our activity, as our members and the sector looked to us to make their voices heard to policy makers. This was further developed during 2021 and is now a core part of our work on behalf of the leisure-time music sector.

The way our lobbying and advocacy was carried out has also been permanently affected by Covid which has moved most meetings and networks online. The value of in person meeting continues to be recognised, but there seems to be a focus on a few well-attended events (e.g. one-off/annual conferences), with most other events staying online.

1. Covid-19 continued to dominate

Following the lockdown in the first three months of 2021, activity was gradually allowed to resume, except in England, where first leisure-time groups' outdoor activity, and then choirs indoor activity remained restricted beyond the date originally set by government, causing an outcry. Members of member groups in constituencies throughout the UK wrote to ministers and their MPs about this issue, causing surprise and consternation, as the significance of such community activity for individuals' wellbeing had not been realised by politicians or civil servants. Over 30 parliamentary questions on the issue were tabled and led to an interim solution being identified until the next set date for official relaxation of restrictions.

Making Music again worked closely with other organisations, including ***Singing Network UK*** (which we convene) and additionally the ***Musicians Union*** and ***Association of British Orchestras (ABO)***, on communicating with the Department for Digital, Culture, Media and Sport (DCMS), and other departments (Cabinet Office, Department for Health and Social Care, Department for Levelling Up Communities and Housing) on this and other Covid-related issues. We attended regular meetings hosted by the Cabinet Office on messaging to communities about Covid behaviours.

Our managers in Wales, Scotland and Northern Ireland also stayed in close contact with their respective ministers and civil servants in order to clarify or seek to adjust Covid regulations which impacted on leisure-time music activity and contribute to relevant consultations. Follow up work included a meeting with senior civil servants from DCMS, and the Deputy Minister for Arts and Culture in Wales speaking at one of our open events.

After ‘Freedom Day’ in England, restrictions were also gradually removed in the other nations, so most groups resumed full in-person activity from September 2021, though many retained hybrid rehearsals to cater for more vulnerable or anxious group participants. Concerts and other public events also started again from July 2021.

WellRehearsed: in order to collect better data on the safety of group music activities, we developed an app with partners ***Association of British Choral Directors (abcd)***. This allowed groups, once registered, to report on in-person rehearsals and subsequent Covid infections, if any. The aim was to see whether which mitigations were effective at minimising risks of transmission during group activity.

Member Covid survey: we ran the third and last survey of members on Covid in March 2021, which revealed that groups were keen but cautious about returning to in-person activity, and that 68% had carried out activity online during the pandemic, either starting straight away in March 2020 or at some point over the year leading to March 2021. 17% had held digital concerts and 26% had produced virtual performances, an astonishing level of skills development for volunteers, usually without prior experience at hosting online activity, sound or video recording or editing, livestreaming or any of the technology involved.

Leisure-time music and Covid abroad: Making Music continued to collect research and attend occasional meetings of non-UK networks, e.g. a regular round table on amateur music by a German MP, meetings with the European Orchestra Federation and an Italian wind band association, in order to compare best practice and gather new learning to apply to UK leisure time music in times of Covid.

2. Non-Covid challenges started making a comeback

Music libraries: i.e. the provision of multiple copies of sheet music via the public library system. After a year or more of no activity and ever increasing pressures on local authority budgets, this issue returned more strongly than ever.

- ***New Surrey Performing Arts Library (NewSPAL)*** was due to take over the performing arts collection from Surrey County Council and open in a building in Woking in 2020. The borough council withdrew their offer post Covid, so the charity resumed its search for a building. In 2022, an agreement with Surrey Libraries will see the service open as an independent provider located in a building also used by Surrey Libraries in Ewell. The operational launch of NewSPAL in July 2022 will mark exactly five years since the collection was first considered for closure or dispersal by SCC in 2017.

- **Music Libraries Trust (MLT)** published research by Dr Michael Bonshor to establish the future needs of music library staff and users, and held two webinars to discuss the findings. Work commenced, and completed in 2022, on developing a future vision for music libraries in the UK, in partnership with IAML, the International Association of Music Librarians (UK and Ireland Branch), based on this and three previous reports. The vision document will seek to convene a steering group to develop and implement a roadmap to future accessible and sustainable provision.
- We also engaged with **Norfolk Music Library**, spoke at the **IAML annual study weekend**, and facilitated dialogue between staff and users at **Trafford Libraries**, to successfully prevent the withdrawal of sheet music availability via Inter Library Loans.

Protect Duty consultation: the government consulted on new Protect Duty legislation, following on from the Manchester Arena terrorist attack, which would put new duties on venues and event organisers to risk assess and mitigate against terrorist activity. We consulted with members and other networks affected (Church of England, ACRE which represents village halls etc.) to respond to the consultation and urge consideration for low risk, volunteer-run community activity and spaces. The government response makes it clear that legislation will be introduced, but says concerns have been heard and will be addressed.

- Other consultations responded to included one by PRS for Music on **Online Live Concert licensing**, a consultation on proposed **Covid certification**, and one on **Higher Education cuts** to arts provision.

Music education was not a strong feature of our work in 2021, though we did resume dissemination of our 2020 **Adult Music Education manifesto**, including speaking at a meeting of the Association of British Orchestras' Education Managers and discussing it in a meeting with DCMS officials.

- Our CEO also spoke at a Music and Wellbeing seminar hosted by the Music Education Council, and attended the Music Industries Association's Education Committee.

Venues and rehearsal spaces became a growing feature of our work in 2021. Pre-Covid issues around the lack of availability of hyper-local suitable (size, equipment, transport links etc.) and affordable spaces for regular activity were exacerbated by Covid when groups needed larger spaces to allow for social distancing, and with good ventilation, and when many venues, also run by volunteers, were fearful and slow in re-opening. In Northern Ireland, Making Music's manager succeeded in raising this topic with six of 11 local authorities, in Wales Making Music's manager contributed to a venue and rehearsal space mapping project, in Scotland the issue was raised with the government via advocacy network Culture Counts, and in England we collaborated with ACRE, the network for village halls.

The **Orchestra Tax Relief extension** introduced in the autumn 2021 budget will help instrumental group members as they return to activity, allowing for higher claims for a period, tapering back to pre-Covid rates by April 2023.

Brexit became reality in January 2021 and had some impact on our members in terms of changes when engaging artists from the European Union. Concerns emerged for groups planning European tours to undertake concerts and take part in events.

3. Advocacy, networking, representation

Speaker-led public events

We continued this highly successful series of events, which are available to anyone (including non-members) and held on Zoom, featuring experts on a particular topic and allowing 30-45 minutes for audience questions, meaning attendees generally are able to have access to experts for their particular queries.

Topics for 2021 were:

- January - Professor Jackie Cassell of Brighton Medical School on the latest Covid research
- February - Vick Bain of Attitude is Everything and Rebecca Di Rollo of Drake Music Scotland on inclusive music activity and events
- March - IT consultant David Lake, Robin Simpson of Northampton Symphony Orchestra and digital producer Leon Gower on digital tools for making music together online (e.g. Jamulus)
- April - fundraising consultant John Rostron, and grant makers Arts Council England and Ty Cerdd on writing funding bids
- May - projects and opportunities for music groups, with Thank You Day, Fun Palaces, Ralph Vaughan Williams anniversary, Learn to Play Day, Make Music Day UK
- June - an update and Q&A with Professor Jackie Cassell
- September - workshop with the Parliamentary Outreach Team of the Houses of Parliament
- October - climate change with Chris Hutchins of Choirs for Climate website, Alison Burnley from Oi Musica/Let It Grow project, and Nina Vinther, singer and climate campaigner
- November - ventilation with Professor Jackie Cassell, Dr Colin Axon, Senior lecturer in Engineering at Brunel University, and Professor Robert Dingwall, Emertius professor of sociology, Nottingham Trent University. This attracted a record 450 attendees

Singing Network UK, hosted and convened by Making Music, is a free network now including over 30 UK umbrella organisations with an interest in singing. It met three times via Zoom during 2021.

Events we spoke at on behalf of members and the sector during 2021:

Abcd conference session; IAML study weekend; ABO Education Managers meeting; podcast for Total Choir Resources; European Orchestra Federation online event

Events we attended on behalf of members and the sector during 2021:

- Centre for Cultural Value event on research needs of the sector
- National Music Council/Music Network UK round tables
- Music Steering Group for Thank You Day, an initiative by the Together/ Foundation
- Voluntary Arts, now renamed Creative Lives: various events
- Singing for Health Network inaugural meeting
- What Next? advocacy network meetings, including one with new arts minister Lord Parkinson

Organisations we met with on behalf of members and the sector during 2021:

- Musicians Union
- National Rural Touring Forum
- Chiltern Music Therapy
- Music Mark
- The Poetry Society/59productions

- Awards for Young Musicians
- British and International Federation of Festivals
- Ralph Vaughan Williams Trust
- British Association of Concert Halls
- Workers Educational Association
- Professor John Sloboda of Guildhall School of Music and Drama
- Royal Schools of Church Music
- PRS for Music
- Gospel Music Industries Alliance
- Sing Ireland
- Classic FM
- European Orchestra Federation
- Tavolo Permanente (Italian wind band association)

Amateo, the European Network for participation in cultural activities. Our CEO continues on the board of this network, attended the in-person conference in Milan and presented the annual Amateo Award in a hybrid ceremony livestreamed across Europe.

UK nation specific

Scotland

- Made a written submission and was invited to give evidence to the Scottish Parliament Culture committee for their pre-budget scrutiny.
- Attended several meetings of the Scottish Parliament Cross Party Group on Music.
- Continued to be an active member of the Music Education Partnership Group (MEPG).
- Contributed to the work of Culture Counts, the advocacy network, particularly on venues, and responded to the consultation on the National Planning Framework.
- Worked with member groups to formulate four asks from parties around spaces for music making, free instrumental tuition in schools, music as a wellbeing activity and a Culture Act for Scotland in the run up to elections to the Scottish Parliament in May. A three year campaign led by MEPG to which we contributed resulted in every party in the election pledging to provide free instrumental tuition in schools, including the eventual winners, Scottish National Party.
- Contributed to the Green Guide written for the classical music sector in Scotland by the Scottish Classical Music Sustainability Group.
- Attended the new Culture and Wellbeing Community Network
- Engaged and supported the (musical) Let It Grow project accompanying the COP26 conference in Glasgow

Wales

- Engaged with and represented Making Music members and the sector on the Welsh government Creative Wales Music Stakeholder Group, Music Partnership Forum Wales, What Next? Wales, Wales Cultural Alliance, Ty Cerdd.
- Contributed to discussions around the National Plan for Music Education.
- Analysed and highlighted arts and culture aspects of party manifestos for member groups in the run up to the Senedd elections in May 2021.
- Worked with a venue and rehearsal mapping project which is yet to report.

Northern Ireland

- Made a submission to the Culture, Arts and Heritage recovery taskforce highlighting the importance of leisure-time music to communities and the professional music sector.
- Worked with Queens University Belfast to identify and roll-out relevant research to be carried out by postgraduate students on the size of the leisure-time music sector.
- Engaged with Belfast's ultimately successful bid to be UNESCO City of Music 2023.
- Started exploring the setting up of an All Party Group for Music at Stormont, in partnership with Ulster Comhaltas.

Celebrate Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK

Promoted leisure-time music groups via our online Find a Group tool, our Events calendar, our communications, including Highnotes magazine, iNotes e-newsletter, Selected Artists Guide, PR, social media (Twitter, Facebook and Instagram).

Concluded our series of **Virtual Concerts** with two final ones in 2021. All 12 concerts, still available on YouTube, have showcased the breadth, variety and quality of leisure-time music groups to a total of 25,382 viewers.

- 3 editions of Highnotes (2020: 3)
- 12 editions of iNotes (2020: 16)
- 9 press releases (2020: 9)
- 2 Virtual Concerts (2020: 10)
- 21,069 followers on Twitter (2020: 20,199)
- 2,407 on Instagram (2020: 2,035)
- 38,469 Facebook page engagements (2020: 77,462 - early pandemic engagement)
- 25,384 views of Virtual Concerts on Youtube across 2020 and 2021
- 1,636 subscribers to YouTube channel (2020: 1,158)

Offered **performance opportunities** to groups, e.g. on Make Music Day (21 June annually), to highlight the achievements and offer of leisure-time music groups to a wider public, locally, nationally and internationally.

Make Music Day (21 June) was hybrid in 2021. Due to varying regulations in the different nations and a last minute postponement of 'Freedom Day' to July, it was difficult to know how much in-person activity member groups would be able to undertake. We therefore focussed on outdoor activity - populating the bandstand in Enniskillen, Glasgow, Newport ... and a garage in London when live activity was not possible at the last minute.

We contributed to the UK-wide broadcast which featured 30 minutes of Making Music member activity across its 7 total hours. There was additional time allocated to Scotland where thanks to funding there was a lot of activity on the day, mostly digitally.

We chaired the steering group of Make Music Day UK 2021. Its achievements were:

- **7 hours over three broadcasts on YouTube; total performances: 3,589; total performers: 31,122; total in-person audience: 37,185; total online audience: 293,151**
- **Helped Make Music Day UK set up as separate company limited by guarantee; appointed two new co-directors, Paul Gudgin and Robert Guest, after Project Manager Alison Porter stepped down after 5 years**

Developed **broadcast opportunities**, e.g. Classic FM annual broadcast of carols by Making Music groups; BBC Radio 3 broadcast of Adopt a Composer pieces, including interviews, to raise the profile of groups and the sector.

- **5 groups featured on Classic FM Drivetime in December 2021 (2020: 5)**
- **6 groups featured on BBC Radio 3 as part of Adopt a Composer project in Jan 2021 (2020: 6)**

We continued with the **awards** started in 2020, again announcing winners in an online award ceremony. We paused the photography award, as groups had not been able to meet in person. The Virtual Concert award was discontinued, but we introduced **three new awards**. The aim is to celebrate and highlight the achievements of the leisure-time music sector.

Lady Hilary Groves Prize, for an individual who has made a significant contribution to the musical life in their community; Best Music Creator for a leisure-time music group; Best Arranger for a leisure-time music group; Best Project with New Music; **New Group Hero** (people's vote); **New best vocal group Music Director**; **New best instrumental group Music Director**. The 2021 winners were:

- **Lady Hilary Groves:** Derek Harrison of the Hertford Choral Society
- **Best Music Creator:** Neil Brownless, for Abingdon Concert Band
- **Best Arranger - joint winners:** Paul Ayres, for Harrow Choral Society; Michael Betteridge, for The Sunday Boys
- **Best Project with New Music:** Bristol Choral Society - The Mary Otty Christmas Carol Composition Competition
- **Best vocal group Music Director:** Hilary Campbell, Chiswick Choir and Bristol Choral Society
- **Best instrumental group Music Director:** Robert Baxter, Helensburgh Orchestral Society, Glasgow Chamber Orchestra and Dunbartonshire Concert Band
- **Group Hero (People's Vote):** St Neots Choral Society committee

Contributed nominations to the *Royal Philharmonic Society's new Inspiration Award* and sat on the judging panel to shortlist. The winner was a Making Music member, **Bristol Choral Society** and their music director Hilary Campbell.

We re-appointed **Debbie Wiseman OBE as President**.

3. Supporting leisure time music / supporting members

Invite and welcome all kinds of music groups to become part of the Making Music community

What we did in 2021

This objective from 2017 led to research into leisure-time music across a variety of musical genres, and their need for support, development and a voice. The research concluded in 2018 with the *Exploring Music Making* report, and a Stage 1 implementation plan. As part of that, we extended our offer to a wider range of community music groups.

Planned activity in 2020 and 2021, especially around supporting **promoters in jazz, folk, and small volunteer-run festivals**, was again delayed due to Covid and related capacity issues.

Our **guidance tool - Can I get back to meeting in person?** - launched in July 2020, remained freely available for the whole sector during 2021, with continual, sometimes daily updates, as restrictions and regulations changed in the four UK nations.

This strand of our work has now been absorbed into a broader Diversity and Inclusion strand which we started developing in 2021. After a review of our Equality Diversity and Inclusion (EDI) policy, we completely rewrote the accompanying EDI Plan, and identified three parts to this work which we are focussing on:

- Inclusion of diverse voices at Making Music as an organisation: the staff team, and volunteers (including trustees)
- Extending our offer and how and where we articulate it to a wider range of leisure-time music groups; this is about services and resources, and about language and imagery
- Helping our members remove barriers to participation and attendance, so that they are able to retain members for longer, recruit new ones and extend the welcome to their public events further into their communities

Plans for future periods

Plans for 2022

- We will consult widely over the year amongst staff, member groups and other stakeholders in order to create our next five year plan, to launch in January 2023
- We will develop a new website (anticipated launch February 2023) in order to:
 - enable our members to access all our services and resources digitally 24/7
 - make it easier for members of the public to find a group or find an event near them, to encourage more and different people to actively engage with music
 - facilitate access to statistics and research on leisure-time music and its significance to individuals and communities to policy makers, media and others
- We will continue and expand our work on becoming an inclusive organisation and supporting our member groups to dismantle barriers to existing or potential participants and audiences
- We will continue providing resources, meetings and support to help our members flourish post Covid
- We will encourage take-up of MM Platform to enable groups to run themselves efficiently and promote themselves better to new and more people

- We will continue to support groups to claim Orchestra Tax Relief, and encourage more groups to take advantage of it
- We will focus our 2022 proactive advocacy work on local infrastructure, particularly spaces for music-making and performance; sheet music provision; transport; licensing
- We will further disseminate our Adult Music Learning manifesto, and work on dismantling barriers to adult music making
- We will focus on recruiting more music groups into membership to strengthen our voice
- We will continue to celebrate and stand up for our members and the leisure-time music sector as necessary, to enable it to flourish and be recognised for its considerable contribution to the civic life and wellbeing of the UK

Impact of Covid-19 on Making Music and 2022 plans

Thanks to public funding from round 2 of the ACE Cultural Recovery Fund and flexi-furloughing staff under the Coronavirus Job Retention Scheme, Making Music managed to break even financially in 2021. This provides a good starting point for 2022 which we anticipate being as tough as 2021.

The impact of Covid on us is indirect and is due to the reduction of member groups' activities since March 2020. As their membership subscription is based on past (published) income, this impact will be felt at its strongest in 2022. With the removal of restrictions (and no current intentions of reintroducing them), we are confident our prediction will come true that groups' and our own fortunes will be recovering, if not completely, then at least very considerably, by 2023.

Indeed, we are now, after 2022 membership renewals, able to foresee that 2022, due to strict cost control as well as the generosity of member groups and donations from individuals, is likely to end with a manageable deficit, thanks to maintaining strong reserves during the pandemic.

Financial review

Financial result for 2021

Our Board and management continued to keep a close eye on the financial position of the charity during 2021. Due to the detrimental impact of the pandemic on our members' ability to earn income from concerts, events and subscriptions, our membership income for 2021 was consequently reduced and we started the year with the expectation of a significant deficit. When a further lockdown was announced in January 2021 and our members were unable to meet in person, we responded by part-furloughing the entire staff team to save on the charity's largest regular outlay. We also successfully applied for funding from round 2 of the ACE Cultural Recovery Fund.

We continued to minimise costs, especially on travel and discretionary marketing. By the mid-point of the year, we had steadied the overall financial position to finish 2021 with total net expenditure of £22,937 (2020: total net expenditure £24,251) but unrestricted net income of £6,164 (2020: unrestricted net expenditure £6,053). This has allowed us to maintain unrestricted general funds and remain within our reserves policy of retaining reserves equivalent to 3 to 6 months' unrestricted expenditure.

Total income of £721,305 (2020: £759,403) included membership subscription income of £456,062 (2020: £500,099). We successfully retained members over the course of the pandemic, with year-on-year growth of 2.2% but in 2021, many more of our members fell within our lowest subscription rate band, meaning we supported a similar number of members but with reduced income.

Total expenditure for the year was £761,166 (2020: £766,513), reflecting tight cost control, including no salary increases for staff for the second year running, and winding down the investment in digital support for members made in the first wave of the pandemic in 2020.

Consolidated cash balances of £1,378,263 at 31 December 2021 (2020: £1,403,755) include deferred membership subscription income collected for 2022 and insurance premiums and PRS fees collected from members to be paid over to third parties in early 2022. Net current assets of £665,947 (2020: £685,205) provide a more accurate picture of working capital.

The trading subsidiary, NFMS Enterprises Limited, generated a profit of £7,013 (2020: £8,318) which was donated to the charity under covenant.

Reserves Position

Total funds held at the end of the year were £825,071 (2020: £848,008).

Of these funds, £329,264 (2020: £312,579) were held in a permanent endowment fund and £131,967 (2020: £177,753) were held in funds for restricted purposes.

Unrestricted funds of £363,840 (2020: £357,676) included a total of £80,722 (2020: £91,936) held in designated funds to spend on projects in 2022 and 2023, including £64,323 towards the development of a new website.

The remaining unrestricted general funds of £283,118 (2020: £265,740) include £19,620 (2020: £40,223) which can only be realised by disposing of fixed assets.

Reserves Policy

It is the policy of the charity to maintain adequate reserves to cover between 3 and 6 months of unrestricted expenditure, in normal circumstances. This target has been set because the charity has a high committed cost base. Staff costs account for approximately 60% of expenditure, with our staff team pivotal to providing services paid for in advance by our members. The second largest cost is office rent, with a five-year lease commitment remaining until 2025.

Unrestricted reserves at 31 December 2021 were £363,840 (2020: £357,676). After deducting designated funds and fixed assets, the remaining free reserves of £263,498 (2020: £225,517) represent 5.9 months' (2020: 4.5 months') of unrestricted expenditure, excluding depreciation (based on current year figures) which is within the parameters of the reserves policy.

The contraction of member activity in 2020 and 2021 will continue to have a detrimental impact on membership income in 2022 and income earned from our Orchestra Tax Relief and PRS services into 2023, due to the lagged nature of these income streams. The Board expects to draw on unrestricted funds to support activity in 2022 and 2023.

Investment Policy

It is the policy of the charity to place funds in low risk investments, such as deposits with banks and building societies, the Charities Official Investment Fund (COIF) or CAF managed equity funds.

A proportion of the Endowment Fund represents the sole investment in the CAF Equitrack Fund, with the remainder held in cash deposits. The investment objective is to maintain the real capital value of the endowment, whilst generating a sustainable level of restricted investment income to support charitable activities within the terms of the endowment.

The capital value of the CAF Equitrack Fund increased by £16,924 this year to £139,504, reversing most of the losses suffered during the pandemic (2020: a decrease of £17,141 to £122,580). This represents an increase of 16% in the amount originally invested (most recent addition in 2016). Investment income earned on the fund in the year was £4,082 (2020: £3,344).

Going Concern and the Financial Impact of Covid-19

Despite a fall in income, we have carefully managed resources and retained our dedicated team of 16 staff (12 full-time equivalent) to support an increasing number of member groups during the year.

We have built up the value of unrestricted free reserves, with the expectation that we will need to draw on them to support activity in 2022, and to a lesser extent in 2023. Our financial forecasts extend into 2024, when we expect to see a return to net income and the opportunity to rebuild reserves again.

Since the end of the financial year, membership retention for 2022 has improved with 95% of member groups renewing their subscription (2021: 90%). This reflects both the resilience of our member groups and the value they place on their membership of Making Music.

However, 64% of members renewed at the lowest subscription rate for 2022, compared to 49% for 2021 and 40% for 2020, reflecting the impact of the pandemic on our members' income. Again, we will be supporting as many members in 2022 but with significantly reduced income.

We are fortunate that the timing of membership renewals and other income streams is heavily weighted to the first quarter of the year. By 31 March 2022, 84% of forecast income for 2022 had been earned, allowing us to make effective financial plans for the remainder of the year.

At the date of approving the report and accounts, the Board believes there are no material uncertainties about the charity's ability to continue as a going concern and the financial statements are prepared on a going concern basis.

The Board's Finance & Compliance committee continues to monitor the developing economic situation, reviewing management accounts and reforecasts for 2022, and draft budgets for 2023 and 2024, on a regular basis.

Other Principal Risks and Uncertainties

The Board has carried out a review of the major risks to which the charity is exposed and has put in place controls and activities to mitigate those risks which are within their control to influence.

Risk	Impact x Likelihood	Mitigation
Loss of group membership	5 x 3 = 15 (medium)	- Listen to sector on needs and deliver accordingly - Maintain & develop services and deliver them effectively - Focus on retention and recruitment
Lack of financial sustainability	5 x 3 = 15 (medium)	- Prioritise member recruitment & retention - Develop earned income in our control - Help members maximise their income - Raise additional funding, particularly for the website project - Contain costs & keep reserves under review
Weak governance	4 x 3 = 12 (medium)	- Ensure vision, mission, objectives and plan clear to Board, staff and members - Invest time and care in Board communications, development, induction & skills balance - Policies, procedures & processes in place with compliance oversight & training for staff, Board and volunteers - Keep abreast of regulatory changes and best practice - Seek professional advice where appropriate - Biannual review of risk assessment
Infrastructure/ Resources failure	5 x 3 = 15 (medium)	- Strong focus especially on up-to-date and fit for purpose IT infrastructure - Strong focus on cyber security and secure data management training and processes - Appropriate insurance policies - Best practice HR management, focusing on support and development of staff - Apply for funding to add to staff capacity - Review pay as soon as financially possible
Reputational damage	3 x 2 = 6 (low)	- External representation guidelines for staff and Board - Emergency media plan in place - Communicating regularly within sector to foster understanding - Careful consideration of lobbying, advocacy & campaigning - Timely & appropriate response to public comments
Negative impact of environment	4 x 3 = 12 (medium)	- Regular and systematic monitoring of external environment for potential threats - Regular management meetings to evaluate and respond to changing circumstances - Addressing potential threats through proactive joint action with others

Structure, governance and management

Making Music's governing documents are its Memorandum and Articles of Association. As well as being a registered charity in England and Wales, Making Music is a registered charity in Scotland and is a company limited by guarantee.

Making Music's Board of Directors is made up of 9 trustees elected by and from the membership and up to 3 trustees co-opted by the Board of Directors. The Chair, Vice Chair and Honorary Treasurer are elected by the Board from among their number and can serve in their role for up to two terms of three years each. Co-opted trustees can serve up to two terms of three years each.

Every year, a third of elected trustees retire. Retiring trustees can put themselves forward again for election for a maximum three terms of three years each. A call is put out to members for nominations and when there are more nominations than vacancies, an election is held (this is usually the case), with the result announced at the Annual General Meeting.

When a new trustee is appointed or co-opted, they receive a full day induction from the Chief Executive and Chair, including on procedures, policies, strategy, and have an opportunity to meet all the staff of the charity.

Organisation

Overall responsibility for the Charity's strategy and direction rests with the Board of Trustees, which comprises all Directors. The carrying out of day-to-day activities is delegated to the staff under the management of the Chief Executive and Senior Management Team.

A remuneration committee of the Board sets the pay structure for all staff. If applicable, any annual percentage increase is applied consistently to all staff.

Subsidiaries

The charity has a trading subsidiary, NFMS Enterprises Ltd, whose accounts are reported separately, and are consolidated into these accounts.



The Film Orchestra in rehearsal



Members of The Fourth Choir

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and regulations.

The Trustees are the company's Directors. Company law requires the Directors to prepare accounts for each financial year. Under that law they have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

In accordance with company law, the trustees, as the company's Directors, certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board on 30 May 2022.

By order of the Board

Dorothy Wilson MBE FRSA
Chair

Opinion

We have audited the financial statements of National Federation of Music Societies ("the parent charitable company") and its subsidiary (together "the group" for the year ended 31 December 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees

determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory framework applying to the Trust, and the procedures that management adopt to ensure compliance, including those relating to the Charities SORP FRS 102, Employment law, Health and Safety law, and GDPR, and considered the extent to which non-compliance might have a material effect on the financial statements;
- We assigned an engagement team to the audit with particular familiarity in dealing with charity and not-for-profit organisations;
- We assessed the susceptibility of the Parent Charitable Company's financial statement to material misstatement, including consideration of how fraud might occur and evaluating management's assessment of the risk of fraud and whether they are aware of any actual or suspected incidences of fraud;
- We considered whether management have incentives and opportunities to manipulate financial results (including overriding controls); and
- We designed and performed audit procedures to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations, including enquiry of the Board of Trustees, review of minutes and correspondence, and review of the completeness and accuracy of disclosures made in the financial statements.

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 auditor's report.



Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A S Healey FCA CTA DChA (Senior Statutory Auditor)

For and on behalf of:

Lindeyer Francis Ferguson Limited

Statutory Auditor

Chartered Accountants

North House

198 High Street

Tonbridge

Kent TN9 1BE

Date: 30 May 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 Unrestricted funds	2021 Restricted funds	2021 Endowment funds	2021 Total funds	2020 Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	29,036	136,581	-	165,617	140,882
Charitable activities	4	518,984	-	-	518,984	565,025
Other trading activities	5	29,327	-	-	29,327	46,183
Interest and dividends		1,563	5,814	-	7,377	7,313
Total		578,910	142,395	-	721,305	759,403
Expenditure on:						
Raising funds	6	13,743	-	-	13,743	12,761
Charitable activities	7	559,003	188,181	239	747,423	753,752
Total		572,746	188,181	239	761,166	766,513
Net gains/(losses) on investments	12	-	-	16,924	16,924	(17,141)
Net income/(expenditure)	8	6,164	(45,786)	16,685	(22,937)	(24,251)
Transfers between funds		-	-	-	-	-
Net movement in funds		6,164	(45,786)	16,685	(22,937)	(24,251)
Reconciliation of funds:						
Total funds brought forward		357,676	177,753	312,579	848,008	872,259
Total funds carried forward	15	363,840	131,967	329,264	825,071	848,008

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021



	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	10		-		-
Tangible assets	11		19,620		40,223
Investments	12		139,504		122,580
			<u>159,124</u>		<u>162,803</u>
Current assets					
Debtors	13	84,053		115,443	
Cash at bank and in hand		1,378,263		1,403,755	
		<u>1,462,316</u>		<u>1,519,198</u>	
Creditors: amounts falling due within one year	14	(796,369)		(833,993)	
Net current assets			<u>665,947</u>		<u>685,205</u>
Total net assets			<u><u>825,071</u></u>		<u><u>848,008</u></u>
The funds of the charity:					
Endowment funds			329,264		312,579
Restricted funds			131,967		177,753
Unrestricted funds			363,840		357,676
	15		<u><u>825,071</u></u>		<u><u>848,008</u></u>

The financial statements were approved by the Board of Trustees on 30 May 2022 and were signed on its behalf by:

Dorothy Wilson MBE FRSA
Trustee

Clare Birks
Trustee



CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	10		-		-
Tangible assets	11		19,620		40,223
Investments	12		139,508		122,584
			<u>159,128</u>		<u>162,807</u>
Current assets					
Debtors	13	88,248		149,324	
Cash at bank and in hand		<u>1,373,062</u>		<u>1,365,570</u>	
		1,461,310		1,514,894	
Creditors: amounts falling due within one year	14	<u>(795,367)</u>		<u>(829,693)</u>	
Net current assets			665,943		685,201
Total net assets			<u>825,071</u>		<u>848,008</u>
The funds of the charity:					
Endowment funds			329,264		312,579
Restricted funds			131,967		177,753
Unrestricted funds			<u>363,840</u>		<u>357,676</u>
	15		<u>825,071</u>		<u>848,008</u>

The financial statements were approved by the Board of Trustees on 30 May 2022 and were signed on its behalf by:

Dorothy Wilson MBE FRSA
Trustee

Clare Birks
Trustee

Company number: 308632

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash (used in) operating activities	A	(41,443)	(222,248)
Cash flows from investing activities:			
Dividends and interest from investments		7,377	7,313
Proceeds from sale of piano		16,667	-
Purchase of tangible fixed assets		(8,093)	(9,969)
Net cash provided by / (used in) investing activities		15,951	(2,656)
Change in cash and cash equivalents in the year		(25,492)	(224,904)
Cash and cash equivalents at the beginning of the year		1,403,755	1,628,659
Cash and cash equivalents at the end of the year		1,378,263	1,403,755
A. Reconciliation of net income / (expenditure) to net cash flow from operating activities			
Net (expenditure) for the year		(22,937)	(24,251)
Depreciation and amortisation charges		14,896	16,019
(Gains)/losses on investments		(16,924)	17,141
Dividends and interest from investments		(7,377)	(7,313)
(Gains) on sale of fixed assets		(2,867)	-
Decrease/(increase) in debtors		31,390	(35,552)
(Decrease) in creditors		(37,624)	(188,292)
Net cash (used in) operating activities		(41,443)	(222,248)



1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with "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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Making Music meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Basis of consolidation

The consolidated financial statements incorporate those of Making Music and its wholly owned subsidiary undertaking, NFMS Enterprises Limited. All intra-group transactions and balances are eliminated on consolidation.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group 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.

Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds. Where grants are received in response to a proposal including a budgeted timescale, such that the timescale for the expenditure is implicit in the grant agreement, the income is recognised in accordance with that timescale.

Income from legacies is recognised when there has been a grant of probate, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached are within the control of the charity or have already been met.

Income from charitable activities is recognised over the period to which the income relates. Membership subscriptions are recognised on a straight line basis over the term of the subscription.

Gifts in kind are only included in the financial statements when the charity is entitled to them, when it is probable that the charity will receive the economic benefits, and when the fair value or value to the charity, as appropriate, can be measured with sufficient reliability.

Investment income is recognised when receivable. Interest is accounted for as accrued income where it is due but has not yet been credited.

1 ACCOUNTING POLICIES continued

Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Grants payable are recognised when a commitment has been communicated to the beneficiary.

Staff costs have been allocated to expenditure headings on the basis of an estimate of the amount of time spent by staff members in each area.

Support costs have been allocated to charitable activities on the basis of direct staff costs.

Support costs are those functions that assist the work of the charity but do not directly relate to the charitable activities, and include governance costs.

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 the 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.

The permanent endowment fund relates to a legacy from Philip & Dorothy Green for young musicians. The net income is transferred to a separate restricted fund.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	7-33% on the reducing balance basis
Computers and website	33% on the straight line basis
Piano	8% on the straight line basis

Assets costing less than £500 are not capitalised but are recognised as expenditure in the Statement of Financial Activities in the year incurred.

The estimated useful life of the website was extended during 2021, with the impact of reducing the depreciation charge for the year by £1,425 and increasing the net book value of fixed assets at 31 December 2021 by the equivalent amount.

Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation, and amortisation is charged over 20 years on the straight line basis.

Investments

Listed investments are stated at fair value. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities.

Investments in subsidiary undertakings are stated at the lower of cost and net realisable value.

Financial instruments

Other than listed investments, the charity only has financial instruments of a kind that qualify as basic financial instruments. Short term basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES continued

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period to which the entitlement relates.

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

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 STATUS

Making Music is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 8 Holyrood Street, London SE1 2EL.

3 INCOME FROM DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	25,420	42,451
Grants	134,625	98,431
Legacies	5,572	-
	165,617	140,882

In the preceding period, donation income of £134,463 and total income of £139,618 was restricted.

In addition to the donations above, Making Music received various gifts in kind towards Make Music Day 2021, including musical arrangements and event and marketing support from Music for All, Team London Bridge, Hal Leonard Europe and other partner organisations. The value of these gifts cannot be estimated with sufficient reliability for inclusion in the financial statements. The activities of Make Music Day will transfer to a new organisation in 2022.

4 INCOME FROM CHARITABLE ACTIVITIES

	2021 £	2020 £
Membership subscriptions	456,062	500,099
Member services	62,922	63,911
Other services	-	1,015
	518,984	565,025

5 INCOME FROM OTHER TRADING ACTIVITIES

	2021 £	2020 £
Advertising	17,226	27,564
Piano hire	-	250
Rental income	8,899	17,760
Other income	3,202	609
	29,327	46,183

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6 EXPENDITURE ON RAISING FUNDS

	2021	2020
	£	£
Staff costs	5,331	5,156
Advertising agent commission	6,267	7,565
Other fundraising costs	2,145	40
	13,743	12,761

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	2021	2021	2021	2020
	Supporting	Supporting	Total	Total
	members	leisure-time	£	£
	£	music		
	£	£		
Staff costs	286,822	57,482	344,304	359,555
Direct costs	82,901	76,595	159,496	120,761
Publication costs	22,266	-	22,266	22,127
Selected Artists costs and subsidies	5,537	-	5,537	6,257
Event costs	633	-	633	3,027
Grants payable	4,600	-	4,600	6,500
Support costs allocated	175,430	35,157	210,587	235,525
	578,189	169,234	747,423	753,752

Support costs comprise:

Support staff costs	81,911	83,070
Other staff costs	5,257	14,446
Marketing	15,997	16,592
Premises and office costs	79,679	83,207
Depreciation	14,896	16,019
Legal and accountancy fees	2,682	6,144
Other costs	3,197	8,277
Governance costs:		
Trustee expenses	618	1,470
Audit fees	6,350	6,300
	210,587	235,525

In the preceding period, expenditure of £140,675 came from restricted funds.

8 NET INCOME/(EXPENDITURE)

	2021	2020
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Depreciation	14,896	16,019
Auditors' remuneration for audit services	6,350	6,300
Auditors' remuneration for non-audit services	985	2,566
Operating lease rentals	39,476	38,326

As permitted by s408 Companies Act 2006, the parent charity has not presented its own Statement of Financial Activities and related notes. The parent charity's net expenditure for the year before investment gains/losses was £46,875 (2020: net expenditure £15,428).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9 STAFF COSTS

	2021 £	2020 £
Gross salaries	387,303	394,595
Employer's National Insurance contributions	30,346	31,572
Employer's pension contributions	11,749	11,733
Redundancy payment	2,148	-
Agency staff	-	9,881
	<u>431,546</u>	<u>447,781</u>

One termination payment was paid during the period (2020: none).

There were no employees with employment benefits (excluding employer pension contributions) of more than £60,000 in the current nor preceding period.

At the balance sheet date, pension contributions unpaid amounted to £14 (2020: £14).

The average number of full-time equivalent employees during the year was 12 (2020: 12).

10 INTANGIBLE FIXED ASSETS

Group and charity	£
Cost brought forward and carried forward	<u>1,500</u>
Amortisation brought forward and carried forward	<u>1,500</u>
Net book value at 31 December 2020 and 2021	<u>-</u>

11 TANGIBLE FIXED ASSETS

Group and charity	Fixtures, fittings and equipment £	Computers and website £	Piano £	Total £
Cost				
Brought forward at 1 January 2021	21,094	126,259	15,000	162,353
Additions	-	8,093	-	8,093
Disposals	(3,668)	(1,619)	(15,000)	(20,287)
Carried forward at 31 December 2021	<u>17,426</u>	<u>132,733</u>	<u>-</u>	<u>150,159</u>
Depreciation				
Brought forward at 1 January 2021	13,913	107,017	1,200	122,130
Charged for the year	718	14,178	-	14,896
Disposals	(3,668)	(1,619)	(1,200)	(6,487)
Carried forward at 31 December 2021	<u>10,963</u>	<u>119,576</u>	<u>-</u>	<u>130,539</u>
Net book value				
At 31 December 2021	<u>6,463</u>	<u>13,157</u>	<u>-</u>	<u>19,620</u>
At 31 December 2020	<u>7,181</u>	<u>19,242</u>	<u>13,800</u>	<u>40,223</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12 INVESTMENTS

	2021 £	2020 £
Group		
Listed investments		
Fair value at 1 January 2021	122,580	139,721
Unrealised gains and losses	16,924	(17,141)
	<u>139,504</u>	<u>122,580</u>
Realised gains and losses	-	-
Per Statement of Financial Activities	<u>16,924</u>	<u>(17,141)</u>

In addition, the charity has an investment of £4 (2020: £4), being a holding of 100% of the ordinary share capital, in NFMS Enterprises Limited (company number 02844532), its trading subsidiary. NFMS Enterprises Limited is a company registered in England and Wales with number 02844532. Its registered office is 9 Holyrood Street, London SE1 2EL. All of its profits are covenanted to the parent charity.

The subsidiary contributed turnover of £48,001 (2020: £50,624), expenditure of £40,988 (2020: £42,306) and a profit to the charity of £7,013 (2020: £8,318). At the balance sheet date, the subsidiary had net assets of £4 (2020: £4).

13 DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	53,202	59,963	52,783	53,799
Amounts owed by group undertakings	-	-	7,014	49,238
Prepayments and accrued income	30,476	30,423	28,076	28,945
Other debtors	375	25,057	375	17,342
	<u>84,053</u>	<u>115,443</u>	<u>88,248</u>	<u>149,324</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade and other creditors	380,592	399,290	380,592	399,212
Deferred subscription income	378,657	405,777	378,657	405,777
Accruals and other deferred income	34,786	28,926	33,509	24,704
Tax and social security	2,334	-	2,609	-
	<u>796,369</u>	<u>833,993</u>	<u>795,367</u>	<u>829,693</u>

Included in trade and other creditors are insurance premiums of £351,743 (2020: £336,111) collected from members by Making Music as agent on behalf of the insurer. Also included are PRS contributions of £15,175 (2020: £44,272) collected from members to be remitted to PRS after the year end.

The movement on deferred membership subscriptions is as follows:

Group and charity	2021 £	2020 £
Balance at 1 January 2021	405,777	438,072
Released to income	(405,777)	(438,072)
Received in the year and deferred	<u>378,657</u>	<u>405,777</u>
Balance at 31 December 2021	<u>378,657</u>	<u>405,777</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15 MOVEMENT ON FUNDS

CURRENT YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	312,579	16,685	-	329,264
Restricted funds				
Philip and Dorothy Green income fund	124,982	20,912	(39,586)	106,308
Adopt a Music Creator	18,968	(37,643)	18,675	-
P A Thompson fund	12,100	(12,100)	-	-
P & D Green Young Artists fund	-	(19,477)	19,477	-
Make Music Day	15,205	1,646	-	16,851
Arts Council England CRF2	-	-	-	-
Other restricted funds	6,498	876	1,434	8,808
	177,753	(45,786)	-	131,967
Unrestricted funds				
Designated funds	91,936	(21,214)	10,000	80,722
General fund	265,740	27,378	(10,000)	283,118
	357,676	6,164	-	363,840
Total funds	848,008	(22,937)	-	825,071

<i>Current year net movement comprises:</i>	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (losses)</i> £	<i>Net movement</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	(239)	16,924	16,685
Restricted funds				
Philip and Dorothy Green income fund	21,102	(190)	-	20,912
Adopt a Music Creator	-	(37,643)	-	(37,643)
P A Thompson fund	-	(12,100)	-	(12,100)
P & D Green Young Artists fund	-	(19,477)	-	(19,477)
Make Music Day	66,513	(64,867)	-	1,646
Arts Council England CRF2	44,429	(44,429)	-	-
Other restricted funds	10,351	(9,475)	-	876
	142,395	(188,181)	-	(45,786)
Unrestricted funds				
Designated funds	-	(21,214)	-	(21,214)
General fund	578,910	(551,532)	-	27,378
	578,910	(572,746)	-	6,164
Total funds	721,305	(761,166)	16,924	(22,937)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15 MOVEMENT ON FUNDS continued

PRIOR YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	329,720	(17,141)	-	312,579
Restricted funds				
Philip and Dorothy Green income fund	111,085	41,187	(27,290)	124,982
Adopt a Music Creator	18,023	145	800	18,968
P A Thompson fund	35,499	(23,399)	-	12,100
P & D Green Young Artists fund	-	(23,869)	23,869	-
Make Music Day	6,967	8,238	-	15,205
Other restricted funds	7,236	(3,359)	2,621	6,498
	178,810	(1,057)	-	177,753
Unrestricted funds				
Designated funds	97,311	(3,809)	(1,566)	91,936
General fund	266,418	(2,244)	1,566	265,740
	363,729	(6,053)	-	357,676
Total funds	872,259	(24,251)	-	848,008
Prior year net movement comprises:	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (losses)</i> £	<i>Net movement</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	-	(17,141)	(17,141)
Restricted funds				
Philip and Dorothy Green income fund	41,187	-	-	41,187
Adopt a Music Creator	25,000	(24,855)	-	145
P A Thompson fund	-	(23,399)	-	(23,399)
P & D Green Young Artists fund	-	(23,869)	-	(23,869)
Make Music Day	65,853	(57,615)	-	8,238
Other restricted funds	7,578	(10,937)	-	(3,359)
	139,618	(140,675)	-	(1,057)
Unrestricted funds				
Designated funds	-	(3,809)	-	(3,809)
General fund	619,785	(622,029)	-	(2,244)
	619,785	(625,838)	-	(6,053)
Total funds	759,403	(766,513)	(17,141)	(24,251)



15 MOVEMENT ON FUNDS continued

Philip and Dorothy Green endowment and restricted funds

This endowment enables us to provide grants, awards, prizes, donations or financial sponsorship to young musicians. Income is transferred to project funds including the P & D Green Young Artists fund which enables young musicians at the start of their career to gain vital concert and recital experience across the UK. The scheme also allows Making Music member groups to tap into some of the very best young musical talent to programme into their concert. Income from the endowment also part-funds the Adopt a Music Creator project, run annually by Making Music since 2000 and the Awards programme for composers and arrangers.

Adopt a Music Creator

This project enables us to pair a leisure-time ensemble with an emerging composer. It provides a unique opportunity for leisure-time musicians to work directly with a composer, be actively involved in the creative process and discover new music. The project is funded by the PRS for Music Foundation and the Philip and Dorothy Green fund. Separate funding for the project in Scotland is received from Creative Scotland.

P A Thompson fund

The objective of the Pauline Thompson legacy fund was to encourage young people aged 15 to 35 to join amateur music groups. It enabled us to employ a part-time Youth Engagement Manager and extend repertoire to attract young people to sing/play in different types of mixed age music groups. The project completed during the year and the fund was fully spent by the end of 2021.

Make Music Day fund

This is a music sector wide UK project which is co-managed by us, with funding from Arts Council England, NAMM, Musicians Union and Music For All is received and managed by Making Music on behalf of an industry-wide steering group. Make Music Day is an international celebration of grassroots musical activity always on 21 June, which started in France in 1982 and now takes place in 125 countries across the globe.

Arts Council England Cultural Recovery Fund 2

The objective of this fund was to support cultural organisations as they transitioned back to a viable and sustainable operating model following the winter 2021 Covid lockdown. The funding covered a specific period: April to June 2021, and enabled us to return staff from furlough and invest in supporting members as they restarted activity.

Other restricted funds

These funds enable us to make a number of awards, bursaries, and prizes to individual musicians, groups, and organisations in both the voluntary and professional sector. Some of these, such as the Sir Charles Groves Prizes, recognise lifelong contributions to the musical life of the UK.

Designated funds

The designated funds are intended for use on a new website and artist subsidies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	2021 <i>Unrestricted funds</i> £	2021 <i>Restricted funds</i> £	2021 <i>Endowment funds</i> £	2021 <i>Total funds</i> £
CURRENT YEAR				
Fixed assets	19,620	-	139,504	159,124
Net current assets	344,220	131,967	189,760	665,947
	<u>363,840</u>	<u>131,967</u>	<u>329,264</u>	<u>825,071</u>
PRIOR YEAR				
Fixed assets	40,223	-	122,580	162,803
Net current assets	317,453	177,753	189,999	685,205
	<u>357,676</u>	<u>177,753</u>	<u>312,579</u>	<u>848,008</u>
Charity				
	2021 <i>Unrestricted funds</i> £	2021 <i>Restricted funds</i> £	2021 <i>Endowment funds</i> £	2021 <i>Total funds</i> £
CURRENT YEAR				
Fixed assets	19,624	-	139,504	159,128
Net current assets	344,216	131,967	189,760	665,943
	<u>363,840</u>	<u>131,967</u>	<u>329,264</u>	<u>825,071</u>
PRIOR YEAR				
Fixed assets	40,223	-	122,584	162,807
Net current assets	317,453	177,753	189,995	685,201
	<u>357,676</u>	<u>177,753</u>	<u>312,579</u>	<u>848,008</u>

17 FINANCIAL COMMITMENTS

At 31 December 2021 the charity was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Due within one year	38,887	39,197
Due in two to five years	95,120	127,945
	<u>134,007</u>	<u>167,142</u>



18 RELATED PARTY TRANSACTIONS

The key management personnel are considered to be the trustees, the Chief Executive, the Membership & Operations Director, the Finance Director and the Communications Director.

The total amount of employee benefits (including employer's national insurance and pension contributions) received by key management personnel during the year was £161,879 (2020: £160,615).

There were no Trustees' remuneration or other benefits during the current or prior period.

Trustees were reimbursed expenses of £133 (2020: £310), in respect of two (2020: two) trustees for travel and subsistence costs. Ms Clare Birks is related to the owner of the property leased by the charity. The amount of the lease charge payable per annum is £36,996 (2020: £36,996). Ms Birks is excluded from any discussions on property-related matters, and the rent was negotiated on an arm's length basis.

Accounts



NATIONAL FEDERATION OF MUSIC SOCIETIES

Trading as Making Music

Annual Report and Financial Statements

For the year ended 31 December 2020

Company Number 308632

Registered Charity in England and Wales Number 249219

Registered Charity in Scotland Number SC038849

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Crystal Palace Progress Band meet online



Making Music Virtual Concert Series on YouTube

Reference and administrative details

Name of Charity	National Federation of Music Societies trading as Making Music	
Company Number	308632	
Charity Number	249219 (England) SC038849 (Scotland)	
Principal Office & Registered Office	8 Holyrood Street London SE1 2EL	
Directors and Trustees	Dorothy Wilson MBE FRSA (<i>Chair</i>) Clare Birks (Vice Chair; Treasurer) Celeste Berteau Heather Catchpole retired 4 March 2020 Abigail Charles Robert Guest Paul Graham Rhiannon Harrison appointed 8 September 2020 Paul McKinley Carol Pemberton MBE appointed 24 November 2020 Andrew Rixon Glynne Stackhouse resigned 20 May 2020 Valerie Taylor	
Key Management		
Chief Executive	Barbara Eifler	
Finance Director	Helen Evans	<i>from 20 April 2020</i>
Membership & Operations Director	Ben Saffell	
Marketing & Communications Director	Elizabeth Clark	<i>until 1 September 2020</i>
Communications Director	Natalie Joanes	<i>from 1 September 2020</i>
Bankers	CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ	
Independent Auditor	Amy S Healey FCA CTA DChA Lindeyer Francis Ferguson Limited Chartered Accountants North House 198 High Street Tonbridge Kent TN9 1BE	

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited group and parent charity financial statements for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and in accordance with the governing document, current statutory requirements and 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) - (Charities SORP).

Making Music - who we are

Making Music is a charity and the UK association for leisure-time music, with 3,560+ music groups in membership, comprising around 210,000 hobby musicians.

We support our members with practical services and artistic development opportunities, we connect them with each other, the wider sector and relevant other organisations, and we celebrate and advocate for the leisure-time music sector, and its benefits - physical, social, psychological, educational, economic - to individuals and communities.

Summary of the year

2020 was the year when Covid-19 meant leisure-time music groups stopped to meet in person for rehearsals and cancelled all their performances from mid-March onwards. Our members immediately called on us to help - and Making Music did:

- Providing ***practical and artistic resources*** on everything from renegotiating contracts to online AGMs, digital technical how-tos, to inspiration for a choir on Zoom.
- Helping groups and individuals ***navigate the Covid-19 regulations*** landscape, and ***advocating for a safe return of activities*** with civil servants and ministers in all four nations of the UK.
- Mitigating group and individual isolation, by hosting regular Zoom meetings & events.
- ***Celebrating and highlighting member groups*** through a series of Virtual Concerts, a digital project for Make Music Day UK on 21 June and a new set of awards.

To focus our activities on the essentials of members' needs, we undertook two surveys of members in 2020, with a third one following-up in March 2021.

When and where leisure-time music activity was permitted, we supported members with risk assessment guidance and templates to enable them to meet, to counteract the decline in mental well-being by their participants, the loss of income to the music professionals usually engaged by them, and groups' fear of losing their musical abilities as well as participants.



Making Music March 2020 survey: what does suspending your regular activity mean for your members and group?

In summary, 2020 was entirely different but also not different from a usual year for Making Music:

- ***We still supported our members with practical and artistic resources...*** but addressed different issues and encouraged digital skills and online musical excellence and development, rather than live in-person activity.
- ***We stepped up our work connecting members to each other and the wider sector,*** running more events attended by more members, discovering we can reach a wider range of people; we will continue online (as well as in-person) meetings in future.
- ***We were able to celebrate the work of leisure-time music groups more widely, via digital platforms,*** creating in the process a collection of invaluable assets and stories which allow us to continue highlighting the value and variety of members' work.
- ***We developed closer links with existing and new partners and organisations in our sector,*** due to issues around Covid and permitted activity, collaborating and coordinating on campaigns, communications and advocacy.

Objectives and Activities

What does Making Music do?

- ***Support members:*** practical services and artistic development opportunities; facilitate and build connections, to enable everyone and anyone to set up and run a leisure-time music group, and for groups to keep growing, find inspiration and aspire to excellence; celebrate and highlight our members' achievements; and stand up for their needs with policy makers and other stakeholders.
- ***Support leisure-time music:*** stand up for and celebrate the leisure-time music sector (of which our members are part) to policy makers so that policy can take into account the individual and community benefits of participating in music as a hobby; and to the general public so that more new people are able to draw down such benefits and may be encouraged to join one of our member groups.

Our vision

Everyone has opportunities within reach to make and present their kind of music with others.

Our mission

Making Music is a membership organisation which supports, stands up for and celebrates groups of people making and presenting music together in their leisure time across the UK.

Our objectives

In the five years of our current business plan (2017-2021), Making Music will be ...

1. **Supporting members:** Help Making Music groups become stronger and better able to connect with new members and audiences.
2. **Supporting members/supporting leisure-time music:** Stand up for and celebrate Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK.
3. **Supporting members/supporting leisure-time music:** Invite and welcome all kinds of music groups to become part of the Making Music community.

Due to the pandemic, Making Music decided to extend the life of its current business plan by one year, so it will guide our direction and activities until the end of 2022.

How do our activities benefit the public?

Our main activities and who we support are described below. All our charitable activities focus on our charitable objective to 'maintain, improve and advance education by promoting the art and practice and public performance of music throughout the United Kingdom and in other countries' and are delivered to further that charitable purpose for the public benefit. The trustees have complied with their duty to have regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

The trustees are confident that Making Music's activities offer public benefit:

- All individuals in society have the potential to benefit from the activities of Making Music, for example its publicly available search facility on the website ('Find-A-Group'), and from the activities of its members, either by joining a leisure-time music group or experiencing their performances, workshops and other events.
- Making Music's advocacy work is of benefit to all, whether or not they are involved in music already, by seeking to maintain or establish an environment in which live music-making by and for everyone can flourish and be available to participants and audiences in communities across the UK.
- In 2020, Making Music's most popular online guidance tool, accessible to all, allowed music groups to understand what activity they were permitted to undertake at any given time in any of the four nations of the UK, with almost daily updates at times.
- There are no restrictions on membership of Making Music, any leisure-time music group can become an Associate Member, although Full Membership is restricted to not-for-profit constituted groups.
- Financial assistance with joining Making Music is considered in cases of individual hardship. Since 2015 Making Music has had a specially reduced rate (50% discount) for new groups just setting up and for those with an income below £1,000.

How does society benefit?

Leisure-time music groups made up of hobby musicians create many benefits for the individuals taking part in their musical activity; for the individuals experiencing the resulting performances; and for the communities in which they are active.

- **For individuals**, there is now a large and growing body of research which provides clear evidence of the social, educational, physical and mental health and well-being benefits of group music activity.
- **For society**, there is a developing evidence base to show that connectedness across socio-economic and cultural divides within communities through group activity brings many benefits to a local area, including making it a more desirable place to live and work, contributing to place-making and regeneration. Leisure-time music groups also raise millions of pounds annually for often local charities and community resources.
- **For the economy**, these groups collectively have a significant financial impact. Whilst small individually (73% have a turnover of below £14.5k a year), they are estimated to be around 13,500 in number across the UK, comprising around 750,000 participants. 98% of them engage professional musicians in some capacity (conductors, soloists, accompanists, etc.), with fees an estimated £86.4m a year; commissioning 2,000 new pieces of music annually; spending significantly with suppliers such as music publishers (£6.4m a year), retailers (instruments, accessories), on promotion, etc.

All these benefits are created by usually very small volunteer-led and -run groups. Making Music's support enables them to continue providing these benefits to individuals and society and facilitates more and new people benefitting by joining or setting up such music groups.

“ I would also like to say thank you to everyone at Making Music for all that they do to support music groups both in normal times and particularly in the past year. There is clearly a lot of effort and brainpower being exerted to provide clear and useful resources. Gold stars all round.” - Making Music member

Thanks

The Board would like to thank the staff throughout the UK who continue to put in a huge effort on behalf of members. We are fortunate that every member of staff is deeply committed to the cause of live music-making in communities. In 2020, whilst mostly working from home, not always in ideal circumstances, they went even more above and beyond their usual commitment and worked tirelessly to support members and respond to their need.

Our thanks must also go the funders who have made a substantial contribution during 2020. These are: Arts Council England; Creative Scotland; PRS for Music Foundation; Philip & Dorothy Green Music Trust; Pauline Thompson legacy.

Making Music also owes its 108 volunteers a large debt of thanks and would like to take this opportunity to thank them and pay tribute to their dedication and enthusiasm:

1 President, 13 Board members, 65 Listeners, 9 Selected Artists Panel members, 5 Youth/Online volunteers, 2 Funding volunteers, 4 Digital volunteers, 1 Web Content volunteer, 6 Member Contact volunteers and 2 office volunteers.

Achievements and performance

Our activities and objectives

For 2020 we are still describing our activities under the same headings - even though, due to the pandemic, the detail of those activities has to some extent changed. Making Music still supports members and still supports leisure-time music - though the 'how' was adapted to reflect the circumstances dictated by the pandemic.

1. Supporting members

Helping Making Music groups become stronger and better able to connect with new members and audiences, practical services and artistic development opportunities.

Our tailor-made affordable insurance covers all aspects of leisure-time music group activity and is made possible by our buying power on behalf of over 3,600 groups. In 2020, insurance policies still offered value for money, but did not cover pandemic cancellations.

- **94% of members took insurance in 2020 (2019: 95%)**

We offer guidance on Performing Right Society (PRS) responsibilities and a way of declaring and paying PRS royalties for performances in unlicensed venues via us, with a discount. In 2020, there was barely any in-person activity, so we will be collecting very little in terms of royalties in 2021. Guidance was still in demand to understand responsibilities related to online activity.

- **£48,421 royalties collected from members (2019: £132,076)**

Safeguarding guidance, templates, training and Disclosure & Barring Services checks; in 2020, we also provided guidance on online safeguarding.

- **191 DBS checks carried out (2019: 323)**
- **34 people from 13 groups (2019: 17 people from 16) undertook specially developed online safeguarding training**
- **312 page views of online safeguarding guidance**

Advice and support via email or telephone from friendly and well-trained staff who understand how groups are run and what their issues are; this became very important in 2020 and was supplemented by open access online member meet-ups with break-out rooms facilitated by staff which enabled members to ask questions on topics of concern.

- **Over 2,390 phone calls with 1058+ groups (2019: 1,400 with 800+)**

200+ online resources in three categories: ‘have to know or do’; ‘help to run the group better’; ‘inspiration for a brighter future’. Resources include written and audio-visual guidance, template policies and contracts, case studies, online tools; in 2020, Making Music produced an extraordinary amount of new resources to support members with new questions and issues never faced before, in three categories: *legal/ compliance* during Covid-19 including guidance tool on permitted activity and research compilations; *‘how-tos’*, e.g. rehearse on Zoom, edit audio and video, risk assess for in-person return; *inspiration*: how to keep up social and musical activity remotely during pandemic.

- **54 new online resources (2019: 17)**
- **391,083 unique views of resources pages (2019: 210,885)**
- **1.55m total website page views (2019: 1.09m)**

Dissemination of information: Highnotes membership magazine three times a year; iNotes monthly e-newsletter (available to all); emails on specific opportunities; in 2020, from April to July we published our e-newsletter twice monthly to disseminate as quickly as possible the large volume of resources we were producing, and have been sending out more than the usual volume of broadcast emails throughout the year too.

- **7,030 received Highnotes (2019: 6,875)**
- **11,587 on iNotes mailing list (2019: 11,719)**
- **209 broadcast emails to 677,744 recipients (2019: 231 to 446,809)**

Discounts and subsidies: discounts negotiated with corporate members and partners; subsidies towards cost of engaging professional musicians; in 2020, as in-person events were mostly not permitted, artists’ subsidies were re-purposed for online events and livestreaming.

- **Subsidies of £6,500 to 29 groups towards engaging Philip & Dorothy Green Young Artists, including 14 livestreamed recitals; (2019: £12,100 to 53 groups)**
- **£600 for livestreaming recitals from other artists (2019: none)**
- **£1,775 to 14 groups towards artists’ costs (2019: £3,475 to 31 groups)**

Specific services: e.g. charity registration service, Orchestra Tax Relief (OTR) service, MM Platform (new in 2019); in 2020, these services continued to be provided.

- **Helped 11 groups register as charities (2019: 12)**
- **15 new groups claim OTR (2019: 9)**
- **54 successful OTR claims (2019: 24)**
- **£149,280 tax relief claimed for members (2019: £58,394)**
- **70 MM Platforms set up (2019: 29)**

Promotion: Find-a-group online tool enable public to discover a leisure-time music group near them; vacancies allow groups to engage the music professionals they need; from events listings the public can discover performances in their area. In 2020, these tools were less used because groups in-person activity was suspended for most of the year. However events page views were pushed up due to members looking for help through Making Music events with running their groups during coronavirus.

- **50,018 Find-a-Group pages viewed (2019: 65,224)**
- **58,929 Vacancy pages viewed (2019: 91,030)**
- **94,046 Events pages viewed total, including MM events (2019: 73,463)**

Artistic development: Adopt a Composer; legacy pieces free to Making Music groups. In 2020, the previous year's matched pairs continued to work together and were joined by a new cohort, launched digitally, from September. Both sets will complete in 2021.

- **6 additional composers 'adopted' by 7 groups (one collaboration between 2 groups) (2019: 6 by 6 groups)**
- **No pieces premiered due to Covid-19 (2019: 6)**
- **All premieres due in 2021**

Artistic development: support for instrumental group conductors. In 2020, there was one event prior to lockdown.

- **Masterclass for instrumental group conductors with English National Opera Music Director Martyn Brabbins, 10 attendees**

Programming and repertoire inspiration via our online Music Bank database; in 2020, this was less used and relevant whilst leisure-time music activities were suspended.

- 18,777 artistic works listed (2019: 18,776)
- 13,682 items of sheet music available through member-to-member exchange (2019: 13,669)
- 5,693 programme notes available free (2019: 5,693)
- 10,932 Music Bank webpages viewed (2019: 23,007)

Artists available for engagements with leisure-time music groups, specially selected, with subsidies via our annually published Selected Artists Guide. in 2020, the guide was published later and will continue to run longer, until February 2022, to enable more bookings for the listed artists and save staff resources needed for other member support.

- Guide published September 2020

Events: annual general meeting, Making Music (consultative) Council meetings, local meetings and events on specific topics; in 2020, online events became a very significant part of our work, responding to member need. We ran general member meet-ups, separate meet-ups in each nation of the UK, expert/speaker-led events, and events focussed on specific topics, with high attendance and incredibly positive feedback.

“ Thank you so much for this exceptional session today. Extremely useful, clear and helpful. You are just BRILLIANT! Thank you!”
- Making Music member

- 89 events, of which 74 online from March 2020, for 3,974 attendees (2019: 44 in person events for 770 attendees)

	In person (Info & Advice events)	Online (Info & Advice events)	Online general meetups	Online guest speaker events	All online events	All events
No. of events	15	36	34	4	74	89
Event attendance	286 (av. 19 per event)	n/a	n/a	n/a	3688 (av. 50 per event)	3974
Unique attendees	273 (av. 18 per event)	n/a	n/a	n/a	1706 (av. 23 per event)	1979
First-time attendees	216 (av. 13 per event)	n/a	n/a	n/a	1315 (av. 18 per event)	1531

Average attendance figures were 2.5 times higher for online than for in-person events. But there was also a higher rate of repeat attenders online, underlining the social as well as the practical support function of meetings and reflecting individuals' enforced inactivity due to prolonged lockdowns over 2020.

- **Looking at unique attendees, we engaged with 52% of our members through events in 2020 (2019: 13%).**

We continued with multiple **Making Music Council meetings**, to enable more members to take part and inform what Making Music does and how it delivers its support to them.

- **6 meetings in 4 nations (2019: 7 in 4)**
- **82 attendees (2019: 75)**

We benefitted 1.5% (5.5%) more groups, despite no focus on recruitment, due to Covid.

- **3,146 full members (2019: 3,152)**
- **311 associate members (2019: 324)**
- **371 affiliate members (2019: 295)**
- **TOTAL 3,828 (2019: 3,771)**

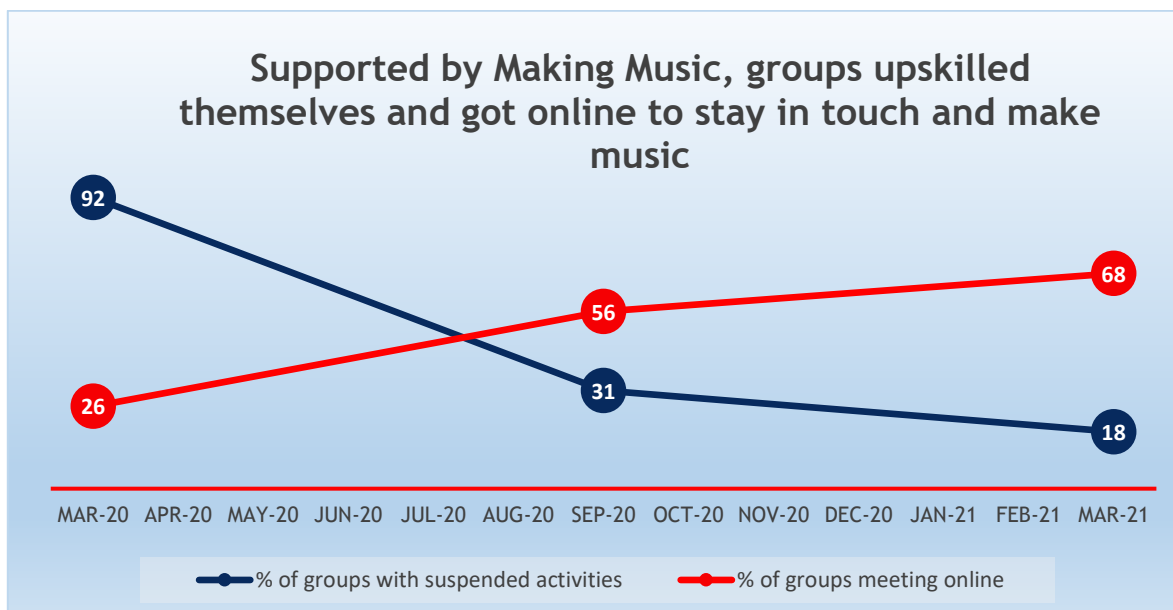
This breaks down as supporting:

- **2,113 singing groups - 55% of members (2019: 2,095; 55%)**
- **1,293 instrumental groups - 34% of members (2019: 1,228; 33%)**
- **448 promoters - 11% of members (2019: 422; 12%)**

Groups' annual income based on their published 2019/2020 accounts (2018/19 in brackets):

- **< £7.2k: 50% (46%)**
- **£7.2k-14.5k: 23% (24%)**
- **14.5k-£21k: 10% (11%)**
- **£21k-£31k: 7% (8%)**
- **£31k-£100k 8% (9%)**
- **£100k: 2% (2%)**

With no event ticket income and in most cases reduced subscription income from their participants during 2020/2021, **the full impact of the 2020/21 standstill in activity will only be seen when groups renew for 2022.**



2. Supporting leisure time music / supporting members

Stand up for Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK

This strand of our activity has looked different in 2020 - it has been a very strong feature of our work in 2020, but different to 'normal' years. So what happened?

1. Everything took place online from March 2020: contacts, meetings, events, conferences

This has not all been negative: it has also opened up new opportunities.

Who did we meet and connect with on behalf of our members?

- Arts Council England, contributing to their Diversity in Classical Music reference group; and speaking at a Music Participation event.
- Cultural Health & Wellbeing Alliance, Chiltern Music Therapy, and others working in the Arts & Health field and on Social Prescribing, a new referral scheme of potential interest to member groups.
- ABRSM, Brass Bands England, British Association of Concert Halls, British and International Festivals Association, Ceoltas Ulster, Culture Counts (Scotland), Family Arts Campaign, MD Brunch, Music Mark, Music Network UK, Royal National Mòd, Sing Ireland, Scottish Association of Music Educators, Scottish Brass Bands Association, Scottish Pipe Band Association, Scottish Wind Band Association, Traditional Music Forum, Ty Cerdd, Voluntary Arts, What Next? (England, Wales), Welsh Government Creative Wales Music Stakeholder Group, Workers Educational Association.

- We developed our international contacts, due to the ease of connecting online: attending meetings of the European Orchestra Federation, the European Choral Association, Amateo, and hosting an international Make Music Day event, opening up opportunities for collaboration and exchange for our members.
- We hosted speaker-led events for members on:
 - Covid activity and community venues, with Voluntary Arts, Action for Communities in Rural England
 - Public funding available, with Arts Council England, Arts Council of Wales, Arts Council of Northern Ireland, Creative Scotland
 - Covid-19 and ventilation for buildings, with Alison McMillan of Wrexham Glyndywr University, Gary Griffiths (freelance music education consultant).

What external events did we speak at and attend on behalf of our members?

- Panels on Covid-19 and its impact on leisure-time music groups: for Association of British Choral Directors, Sound Connections, Voluntary Arts Creative Network, MD Brunch, Ty Cerdd
- Interview with Sam Evans of One Voice Campaign, on Covid-19 restrictions and music groups, viewed 50,000+ times on Facebook and Youtube
- Pre-lockdown: Music Education Expo
- Meeting of the All-Parliamentary Group on Music Education
- Scotland: Music Education Partnership Group; Scottish Parliament Cross-Party Group on Music.

2. Almost the entire focus of the whole year was on the effects and fall-outs of Covid-19

This has meant our advocacy and lobbying has looked different; has been a much greater share of our activity; and has enabled us to work with a different and wider group of organisations.

It has also given us a higher profile with civil servants in relevant departments in all four nations; and with politicians of all kinds, local and national, who have been shaping Covid policy and restrictions.

We have also interacted in a much more significant way with the scientific community, in terms of collating Covid-relevant research, contributing where relevant, inviting medical and other specialist academics to speak to our members.

A lot of this work in 2020 was reactive - responding to the ever-changing landscape of Covid-19 regulations - and we are very proud of what we achieved, facilitating and enabling hobby musicians to connect online and then resume in-person meetings as soon as possible, in particular influencing the government decision to allow non-professional music activity in England from August 2020. **Our work in this area was very significant for close to a million individuals in the UK**, and even more so because their leisure-time musical activity was

particularly important to them in this time of increased anxiety, sickness and loss, helping them maintain their mental balance and enabling them to look forward to a better time.

Research

We have been compiling any relevant research for leisure-time music group activity into an open access page, so that our members and the wider leisure-time music sector could understand what underpinned our guidance to them and our interpretation of government documents.

Separately, we introduced a guidance tool - Can my group get back to in person activity? - from July 2020 which was, and still is, being updated almost daily.

We engaged specific speakers from the scientific community to talk to our members about the risks of singing, activity in other countries, and ventilation.

We engaged two digital producers to research, inform and train our members to master the digital world, to enable them to record and edit audio and video at home, supporting them with written resources, videos and webinars with experts.

Lobbying

Singing Network UK, chaired and convened by Making Music, brings together 30 UK organisations with an interest in singing and representing between them the 40,000 choirs (including church and school/youth choirs) and 2m singers of the UK.

- The network met three times in 2020 to hear from experts, including Professor Martin Ashley, one of the first to research the impact of Covid on choirs
- The network decided to take joint action and write to ministers in all the UK nations to raise awareness of the value of singing for the mental and physical well-being of millions of people. This resulted in government commissioned research into the transmission dangers presented by singing, and wind and brass instruments, ultimately contributing to an easing of restrictions
- The network grew by 10%, due to high visibility and effective joint action

When lockdowns eased in July 2020, in England government distinguished between professional and non-professional music activity, not permitting the latter. To make the case for a return of leisure-time music, we ran a **campaign #BringBackMyBand #BringBackMyChoir**, supported with a video illustrating our members' activity, viewed over 16,000 on Youtube and shared widely across social media. Many members also wrote to MPs and the campaign resulted in a change of policy in mid-August 2020.

Responding to consultations

These were mostly Covid-related and ranged from:

- surveys by Arts Council England and the National Council for Voluntary Organisations
- government enquiries, including ones on the **impact of Covid on protected characteristics** by the Women and Equalities Committee, and on **the impact of Covid on Digital Culture Media and Sports sectors** by the DCMS Committee
- enquiries in Wales by the Culture, Welsh Language, and Communications Committee into the COVID-19 outbreak and its impact on culture, creative industries, heritage, communications and sport; and into live music
- via the Arts Collaboration Network contributed to the inquiry in Northern Ireland on **the impact of Covid-19 on the arts sector**
- made the case in Scotland for leisure-time music to be taken into consideration as Covid-restrictions are eased, via Scottish Parliament Cross-Party Group on Music
- responded in Scotland to the Culture, Tourism, Europe and External Affairs Committee Inquiry on the **Impact of COVID-19 on Scotland's Culture and Tourism Sectors**

3. Non-Covid-19 advocacy

We are particularly proud of our **Adult Music Learning Manifesto**, launched at the Music Education Expo in March 2020, just before lockdown.

This outlines the landscape of adult music learning and the music learning needs of adult hobby musicians and looks to partner with organisations and stakeholders to make adult music making more accessible to all. The manifesto received a warm welcome and became particularly relevant during the pandemic when so many adults - locked down and perhaps at a loss at home - returned to or started making music.

We also presented this at the Association of British Choral Directors' annual convention and at one of the Music Industry Association's Music Education Panel meetings (which we attend regularly).

As musical activity returns in 2021 and organisations are able to focus on non-Covid issues again, we will reprise our work on disseminating the manifesto and looking for partners to work with us to dismantle the various barriers to access for adult hobby musicians. We are already booked to speak at a meeting of the **Association of British Orchestras' Education Managers** in June 2021.

We also published research into **The barriers to joining a choral society**, thanks to the Pauline Thompson legacy which funds a part-time post at Making Music.

This work was presented to our members via our communication channels - magazine, e-newsletter, social media. It was further disseminated at and informed the content of our

very popular member group sessions on recruitment and retention of members, an issue that all of our member groups grapple with continuously, and choral societies in particular.

Brexit was not anticipated as having a major effect on our members or the sector; however, there are some implications in terms of (temporary) export and import of personal musical instruments. We have produced information for members and are fortunate in that our close partners, the **Association of British Orchestras**, have included leisure-time activity needs in their lobbying of the relevant department over Brexit-related issues.

UK nation specific

We were lucky to be accepted with a research proposal about leisure-time music in Northern Ireland, by Queens University Belfast, which will take place in 2021.

Via Culture Counts in Scotland, Making Music contributed to the creation of a **Cultural Manifesto for Scotland**.

We responded to the Scottish government consultation on the Scottish **National Planning Framework 4**, making the case for the need of affordable, local spaces and connected infrastructure for community music groups to thrive.

Joined Anthem, Music Fund Wales, as trustee.

Celebrate Making Music groups, their members, and others coming together to make or present music in their leisure time across the UK

Promoted leisure-time music groups via our online Find-a-Group tool, our Events calendar, our communications, incl. Highnotes magazine, iNotes e-newsletter, Selected Artists Guide, PR, social media (Twitter, Facebook and Instagram).

New in 2020: a series of 10 Virtual Concerts, produced professionally, featuring video and audio recordings of nearly 100 member groups.

- **3 editions of Highnotes (2019: 3)**
- **16 editions of iNotes (2019: 12)**
- **9 press releases (2019: 9)**
- **10 Virtual Concerts (2019: none)**
- **20,199 followers on Twitter (2019: 18,102)**
- **2,035 on Instagram (2019: 1,273)**
- **14,384 Facebook page likes (2019: 10,678)**
- **20,488 views of Virtual Concerts on Youtube (new)**
- **1,158 subscribers to Youtube channel (new)**

Offered groups **performance opportunities**, e.g. on International Make Music Day (21 June annually), to highlight the achievements and offer of leisure-time music groups to a wider public, locally, nationally and internationally.

Our support for Make Music Day went digital in 2020: we commissioned a digital film to which 200 hobby musicians contributed of the Make Music Day anthem *Bring Me Sunshine*, which was premiered during a live 45 minute broadcast which also included interviews with three member groups.

- **2,700 views on Youtube plus 2,200 for activity in Scotland**

Chaired steering group of Make Music Day UK 2020, achievements (despite Covid-19):

- **13 hour continuous broadcast on Youtube, 277 events**
- **1,739 individual performances by 11,162 performers**
- **531,726 audiences reaching a total 1.4 million people**

Developed **broadcast opportunities**, e.g. Classic FM annual broadcast of carols by Making Music groups; BBC Radio 3 broadcast of Adopt a Composer pieces, including interviews, to raise the profile of groups and the sector.

- **5 groups featured on Classic FM Drivetime in December 2020 (2019: 5)**
- **6 groups featured on BBC Radio 3 as part of Adopt a Composer project in Jan 2020 (2019: 6)**

***New*:** presented **five new** (a total of six) **awards:**

Lady Hilary Groves Prize, for an individual who has made a significant contribution to the musical life in their community; ***new*** Best Music Creator for a leisure-time music group; ***new*** Best Arranger for a leisure-time music group; ***new*** Best Project with New Music; ***new*** Best Photo of a Music Group; ***new*** Best Contribution to a Virtual Concert (people's vote); the aim is to celebrate and highlight the achievements of the leisure-time music sector.

- **Lady Hilary Groves: Vilma Weaver of the Ashira Singers**
- **Best Music Creator: Aleksandar Kostic, for Eclectic Voices**
- **Best Arranger: George Morton, for Sheffield Philharmonic Orchestra**
- **Best Project with New Music: Kirkcaldy Orchestral Society's School Composition Project**
- **Best Photo capturing the spirit of a group: Streetwise Opera**
- **Best Virtual Concert contribution: Blackpool Symphony Orchestra's arrangement and performance of Somewhere Over The Rainbow**

Re-appointed Debbie Wiseman OBE as President.

Supporting leisure time music / supporting members

Invite and welcome all kinds of music groups to become part of the Making Music community

What we did in 2020

This objective in 2017 led to research into leisure-time music across a variety of musical genres, and their need for support, development and a voice. The research concluded in 2018 with the *Exploring Music Making* report, and a Stage 1 implementation plan.

A first result was closer collaboration and **partnership agreement with Brass Bands England**. This was further developed in 2019 and continued in 2020, growing especially with regard to advocacy work.

Further planned activity in 2020 included setting up the already developed **project to support promoters in jazz, folk, and small volunteer-run festivals**; this did not happen due to lack of capacity - all our resources were focussed on Covid and in any case live events were not possible. However, Making Music has started developing closer connections with a range of network organisations in folk and jazz, amongst others, partly due to Covid-19 networking and joint advocacy opportunities.

In 2020, we also supported the wider sector by making some of our resources available for free, namely our guidance tool - Can I get back to meeting in person? - and our 'inspiration' pages, to support everyone during Covid-19.

Plans for future periods

Plans for 2021

- The business plan, our vision, mission and objectives, are now our guiding principles until the end of 2022
- We will focus resources, meetings and support on helping our members navigate the post-Covid-19 world as effectively and rapidly as possible
- We will encourage take-up of MM Platform to enable groups to run themselves efficiently and ready themselves for recruiting new players and singers post-Covid
- We will continue to support groups to claim Orchestra Tax Relief, and lobby for an extension to enable claims by choirs
- We will consult on and commission a new website, to be delivered in 2022
- We will further disseminate our Adult Music Learning manifesto, and work on dismantling the barriers to adult music making
- We will introduce two further new awards: best musical director and 'group hero of the year'

- We will be launching an app, in collaboration with the Association of British Choral Directors, to allow music groups to report on infections following in-person meetings and rehearsals, to gather empirical evidence for submission to policymakers
- We will focus on recruiting more music groups into membership to strengthen our voice
- We will continue to celebrate and stand up for our members and the leisure-time music sector as necessary, to enable it to flourish and be recognised for its considerable contribution to the civic life and wellbeing of the UK

Impact of Covid-19 on Making Music and 2021 plans

There has been a considerable indirect financial impact on Making Music from Covid-19, due to the reduction of member groups' activities since March 2020. As their membership subscription is based on past (published) income, we expect this impact to be felt even more strongly in 2022 which will also be the turning point, if the pandemic progresses as expected, leading to strong improvement in groups' and therefore our own fortunes by 2023.

Our experience in 2020 means that we now know what our members need from us in terms of resources and in terms of representing their needs to stakeholders and policymakers. We therefore believe that our plans for 2021 reflect and meet those needs.

We also learnt that it is crucial that we continue to celebrate and highlight the creativity, joy and resilience of our members, both to provide a positive short-term focus for them and to improve understanding amongst policy makers and other stakeholders of the role and significance of leisure-time music groups.

Our Board and staff have proven to be flexible, moving rapidly at all the stages of the pandemic to adapt their working practices and still provide first class support to members. Making Music will continue to focus on supporting its team, practically as well as in terms of mental wellbeing, as a priority, recognising the challenges the last year has created for many of them, personally and at work.



Member groups Misfits Music and Cantiones Choir rehearse outdoors in summer 2020

Financial Review

Financial result for 2020

Our Board and management kept the financial position of the charity under constant scrutiny during 2020. We were fortunate to collect most of our annual income from group membership subscriptions by the first quarter of the year, in advance of the impact of Covid-19. From April 2020, efforts were made to carefully manage expenditure, while our Board approved investment in additional resources to support members through the uncertainty of Covid-19.

Cost savings from travel restrictions and moving activities online helped to steady the overall financial position, such that unrestricted general funds at 31 December 2020 were maintained within the reserves policy of 3 to 6 months' expenditure.

Net unrestricted expenditure was £6,053 (2019: net income of £40,764). However, the impact of unrealised investment losses contributed to overall net expenditure for the year of £24,251 (2019: net income of £12,825).

Total income of £759,403 (2019: £730,049) included membership income of £501,009 (2019: £493,326), reflecting new membership renewals in the first quarter of 2020.

Total expenditure for the year was £766,513 (2019: £729,605), with £33,470 more spent on charitable activities in 2020 than in 2019.

Cash balances of £1,403,755 at 31 December 2020 (2019: 1,628,659) included deferred membership subscription income collected for 2021 and insurance premiums and PRS fees collected from members to be paid over to third parties in early 2021. Net current assets at of £685,205 (2019: £686,265), provide a more accurate picture of working capital.

The trading subsidiary, NFMS Enterprises Limited, generated a profit of £8,318 (2019: £11,089) which was donated under covenant to the charity.

Reserves Position

Total funds held at the end of the year were £848,008 (2019: £872,259).

Of these funds, £312,579 (2019: £329,720 restated) were held in an endowment fund and £177,753 (2019: £178,810 restated) held in funds for restricted purposes. Legal advice received in the year confirmed the permanent nature of the endowment fund. This required a restatement of prior year balances to transfer £73,650 of historic income from the endowment fund to restricted funds (see note 1).

A total of £91,936 (2019: £97,311) was held in designated funds to spend on projects in 2021 and 2022.

The remaining unrestricted general funds of £265,740 (2019: £266,418) include £40,223 (2019: £46,273) which can only be realised by disposing of fixed assets.

Reserves Policy

It is the policy of the charity to maintain adequate reserves to cover between 3 and 6 months of unrestricted expenditure. This target has been set because the charity has a high committed cost base. Staff costs account for approximately 60% of expenditure, with our staff team pivotal to providing the services paid for in advance by members. The second largest cost is office rent, with a new five year lease signed in 2020.

Current unrestricted reserves are £357,676. After deducting designated funds and fixed assets, the remaining free reserves of £225,517 (2019: £220,145) represent 4.5 months' (2019: 4.9 months') of unrestricted expenditure, excluding depreciation (based on current year figures) which is within the parameters of the reserves policy.

Investment Policy

It is the policy of the charity to place funds in low risk investments, such as deposits with banks and building societies, the Charities Official Investment Fund (COIF) or CAF managed equity funds.

A proportion of the Endowment Fund represents the sole investment in the CAF Equitrack Fund, with the remainder held in cash deposits. The investment objective is to maintain the real capital value of the endowment, whilst generating a sustainable level of restricted investment income to support charitable activities within the terms of the endowment.

The capital value of the CAF Equitrack Fund decreased by £17,141 this year to £122,580 (2019: an increase of £12,381 to £139,721). This represents an increase of 2% in the amount originally invested (most recent addition in 2016). Investment income earned on the fund in the year was £3,344 (2019: £5,442).

Going Concern and the Financial Impact of Covid-19

With careful financial management, we have invested in services and resources for members during 2020 while maintaining the value of unrestricted free reserves, providing a solid foundation for the challenges of the next two years.

Since the end of the financial year, membership retention for 2021 has held up well, with 90% of members renewing their subscription (normally 96%). This reflects both the resilience of our member groups and the value they place on their membership of Making Music.

However, 22% of members renewed at a lower subscription rate than for 2020, with 49% of members renewing at the lowest rate. This means we will be supporting nearly as many members in 2021 but with significantly reduced income.

Furthermore, the contraction of member activity in 2020 has diminished the charity's ability to raise income from chargeable member services and other earned sources for 2021.

The timing of membership renewals and other income streams is heavily weighted to the first quarter of the year. By 31 March 2021, 80% of forecast income for 2021 had been earned, providing time to assess financial plans for the remainder of the year.

While members were unable to meet in person, the Board took the decision to part-furlough the staff team between 18 January and 31 March 2021. We also made a successful application to the second round of Arts Council England's Cultural Recovery Fund. These two sources of income will help to balance general fund income and expenditure for 2021.

It is expected that delays to members resuming activity in 2021 will continue to negatively affect the charity's subscription and service income for 2022. Medium term financial sustainability is dependent on maintaining reserves during 2021, maximising income for 2022 while keeping costs for both years under control and maintaining strong working capital.

The Board has reviewed several financial scenarios and expects to continue to deplete reserves to support activity in 2022. A membership survey, undertaken in March 2021 and completed by one third of members, has provided useful data for this planning.

At the date of approving the report and accounts, the Board believes there are no material uncertainties about the charity's ability to continue as a going concern and the financial statements are prepared on a going concern basis.

The Board's Finance & Compliance committee continues to monitor the developing economic situation, reviewing management accounts and reforecasts for 2021 and 2022 on a regular basis.

Other Principal Risks and Uncertainties

The Board has carried out a review of the major risks to which the charity is exposed and has put in place controls and activities to mitigate those risks which are within their control to influence.

Risk	Impact x Likelihood	Mitigation
Loss of group membership	5 x 3 = 15 (medium)	- Listen to sector on needs and deliver accordingly - Maintain & develop services and deliver them effectively
Lack of financial sustainability	5 x 3 = 15 (medium)	- Prioritise member recruitment & retention - Develop earned income in our control - Help members maximise their income - Raise additional funding - Contain costs & keep reserves under review

Risk	Impact x Likelihood	Mitigation
Weak governance	4 x 3 = 12 (medium)	- Ensure vision, mission, objectives and plan clear to Board, staff and members - Invest time and care in Board communications, development, induction & skills balance - Policies, procedures & processes in place with compliance oversight & training for staff, Board and volunteers - Keep abreast of regulatory changes and best practice - Seek professional advice where appropriate - Annual thorough review of risk assessment
Infrastructure / Resources failure	4 x 3 = 12 (medium)	- Strong focus especially on up-to-date and fit for purpose IT infrastructure - Strong focus on cyber security and secure data management training and processes - Appropriate insurance policies - Best practice HR management, focusing on support and development of staff
Negative impact of environment	4 x 3 = 12 (medium)	- Regular and systematic monitoring of external environment for potential threats - Regular management meetings to evaluate and respond to changing circumstances - Addressing potential threats through proactive joint action with others
Reputational damage	3 x 2 = 6 (low)	- Guidelines for staff and Board external representation - Emergency media plan in place - Communicating regularly within sector to foster understanding - Timely & appropriate response to public comments

Structure, Governance & Management

Making Music's governing documents are its Memorandum and Articles of Association. As well as being a registered charity in England and Wales, Making Music is a registered charity in Scotland and is a company limited by guarantee.

Making Music's Board of Directors is made up of 9 trustees elected by and from the membership and up to 3 trustees co-opted by the Board of Directors. The Chair, Vice Chair and Honorary Treasurer are elected by the Board from among their number and can serve in their role for up to two terms of three years each. Co-opted trustees can serve up to two terms of three years each.

Every year, a third of elected trustees retire. Retiring trustees can put themselves forward again for election for a maximum three terms of three years each. A call is put out to members for nominations and when there are more nominations than vacancies, an election is held (this is usually the case), with the result announced at the Annual General Meeting.

When a new trustee is appointed or co-opted, they receive a full day induction from the Chief Executive and Chair, including on procedures, policies, strategy, and have an opportunity to meet all the staff of the charity.

Organisation

Overall responsibility for the Charity's strategy and direction rests with the Board of Trustees, which comprises all Directors. The carrying out of day-to-day activities is delegated to the staff under the management of the Chief Executive and Senior Management Team.

A remuneration committee of the Board sets the pay structure for all staff. If applicable, any annual percentage increase is applied consistently to all staff.

Subsidiaries

The charity has a trading subsidiary, NFMS Enterprises Ltd, whose accounts are reported separately, and are consolidated into these accounts.



Weymouth Ukulele Ensemble



The choir with no name

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and accounts in accordance with applicable law and regulations.

The Trustees are the company's Directors. Company law requires the Directors to prepare accounts for each financial year. Under that law they have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

In accordance with company law, the trustees, as the company's Directors, certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the Board on 9 August 2021.

By order of the Board

Dorothy Wilson MBE FRSA
Chair

Opinion

We have audited the financial statements of National Federation of Music Societies (“the parent charitable company”) and its subsidiary (together “the group” for the year ended 31 December 2020, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory framework applying to the Trust, and the procedures that management adopt to ensure compliance, including those relating to the Charities SORP FRS 102;
- We assessed the susceptibility of the Parent Charitable Company's financial statement to material misstatement, including considering how fraud might occur;
- We obtained the Board of Trustee's assessment of fraud risk and enquired as to any known or suspected instances of fraud; and

- We designed and performed audit procedures to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations, including enquiry of the Board of Trustees, review of minutes and correspondence, and review of the completeness and accuracy of disclosures made in the financial statements.

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 auditor's report.

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members as a body and the parent charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A S Healey FCA CTA DChA (Senior Statutory Auditor)

For and on behalf of:

Lindeyer Francis Ferguson Limited

Statutory Auditor

Chartered Accountants

North House

198 High Street

Tonbridge

Kent TN9 1BE

Date: 11 August 2021

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 Unrestricted funds	2020 Restricted funds	2020 Endowment funds	2020 Total funds	2019 Total funds
	Note	£	£	£	£	£
Income from:						
Donations and legacies	3	6,419	134,463	-	140,882	121,970
Charitable activities	4	565,025	-	-	565,025	531,798
Other trading activities	5	46,183	-	-	46,183	64,531
Interest and dividends		2,158	5,155	-	7,313	11,750
Total		619,785	139,618	-	759,403	730,049
Expenditure on:						
Raising funds	6	12,761	-	-	12,761	9,323
Charitable activities	7	613,077	140,675	-	753,752	720,282
Total		625,838	140,675	-	766,513	729,605
Net gains/(losses) on investments	12	-	-	(17,141)	(17,141)	12,381
Net income/(expenditure)	8	(6,053)	(1,057)	(17,141)	(24,251)	12,825
Transfers between funds		-	-	-	-	-
Net movement in funds		(6,053)	(1,057)	(17,141)	(24,251)	12,825
Reconciliation of funds:						
Total funds brought forward		363,729	178,810	329,720	872,259	859,434
Total funds carried forward	15	357,676	177,753	312,579	848,008	872,259



CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £ <i>Restated</i>
Fixed assets					
Intangible assets	10		-		-
Tangible assets	11		40,223		46,273
Investments	12		122,580		139,721
			<u>162,803</u>		<u>185,994</u>
Current assets					
Debtors	13	115,443		79,891	
Cash at bank and in hand		1,403,755		1,628,659	
		<u>1,519,198</u>		<u>1,708,550</u>	
Creditors: amounts falling due within one year	14	(833,993)		(1,022,285)	
Net current assets			685,205		686,265
Total net assets			<u><u>848,008</u></u>		<u><u>872,259</u></u>
The funds of the charity:					
Endowment funds			312,579		329,720
Restricted funds			177,753		178,810
Unrestricted funds			357,676		363,729
	15		<u><u>848,008</u></u>		<u><u>872,259</u></u>

The financial statements were approved by the Board of Trustees on 9 August 2021 and were signed on its behalf by:

Dorothy Wilson MBE FRSA
Trustee

Clare Birks
Trustee

THE NATIONAL FEDERATION OF MUSIC SOCIETIES
TRADING AS MAKING MUSIC

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020



	Note	2020 £	2020 £	2019 £	2019 £ <i>Restated</i>
Fixed assets					
Intangible assets	10		-		-
Tangible assets	11		40,223		46,273
Investments	12		122,584		139,725
			<u>162,807</u>		<u>185,998</u>
Current assets					
Debtors	13	149,324		94,412	
Cash at bank and in hand		1,365,570		1,609,800	
		<u>1,514,894</u>		<u>1,704,212</u>	
Creditors: amounts falling due within one year	14	(829,693)		(1,017,951)	
Net current assets			685,201		686,261
Total net assets			<u>848,008</u>		<u>872,259</u>
The funds of the charity:					
Endowment funds			312,579		329,720
Restricted funds			177,753		178,810
Unrestricted funds			357,676		363,729
	15		<u>848,008</u>		<u>872,259</u>

The financial statements were approved by the Board of Trustees on 9 August 2021 and were signed on its behalf by:

Dorothy Wilson MBE FRSA
Trustee

Clare Birks
Trustee



CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash (used in) / provided by operating activities	A	(222,248)	(4,613)
Cash flows from investing activities:			
Dividends and interest from investments		7,313	11,750
Purchase of tangible fixed assets		(9,969)	(19,299)
Net cash (used in) / provided by investing activities		(2,656)	(7,549)
Change in cash and cash equivalents in the year		(224,904)	(12,162)
Cash and cash equivalents at the beginning of the year		1,628,659	1,640,821
Cash and cash equivalents at the end of the year		1,403,755	1,628,659
A. Reconciliation of net income / (expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the year		(24,251)	12,825
Depreciation and amortisation charges		16,019	12,520
(Gains)/losses on investments		17,141	(12,381)
Dividends and interest from investments		(7,313)	(11,750)
(Increase)/decrease in debtors		(35,552)	(44,866)
Increase/(decrease) in creditors		(188,292)	39,039
Net cash (used in) / provided by operating activities		(222,248)	(4,613)



1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with "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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Making Music meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Basis of consolidation

The consolidated financial statements incorporate those of Making Music and its wholly owned subsidiary undertaking, NFMS Enterprises Limited. All intra-group transactions and balances are eliminated on consolidation.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the group 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.

Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds. Where grants are received in response to a proposal including a budgeted timescale, such that the timescale for the expenditure is implicit in the grant agreement, the income is recognised in accordance with that timescale.

Income from legacies is recognised when there has been a grant of probate, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached are within the control of the charity or have already been met.

Income from charitable activities is recognised over the period to which the income relates. Membership subscriptions are recognised on a straight line basis over the term of the subscription.

Gifts in kind are only included in the financial statements when the charity is entitled to them, when it is probable that the charity will receive the economic benefits, and when the fair value or value to the charity, as appropriate, can be measured with sufficient reliability.

Investment income is recognised when receivable. Interest is accounted for as accrued income where it is due but has not yet been credited.



1 ACCOUNTING POLICIES continued

Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Grants payable are recognised when a commitment has been communicated to the beneficiary.

Staff costs have been allocated to expenditure headings on the basis of an estimate of the amount of time spent by staff members in each area.

Support costs have been allocated to charitable activities on the basis of direct staff costs.

Support costs are those functions that assist the work of the charity but do not directly relate to the charitable activities, and include governance costs.

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 the 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.

The permanent endowment fund relates to a legacy from Philip & Dorothy Green for young musicians. The net income is transferred to a separate restricted fund.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	7-33% on the reducing balance basis
Computers and website	33% on the straight line basis
Piano	8% on the straight line basis

Assets costing less than £500 are not capitalised but are recognised as expenditure in the Statement of Financial Activities in the year incurred.

Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less amortisation, and amortisation is charged over 20 years on the straight line basis.

Investments

Listed investments are stated at fair value. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities.

Investments in subsidiary undertakings are stated at the lower of cost and net realisable value.

Financial instruments

Other than listed investments, the charity only has financial instruments of a kind that qualify as basic financial instruments. Short term basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES continued

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period to which the entitlement relates.

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

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Prior period restatement

A prior period adjustment has been made to reflect legal advice received on the nature of the endowment fund. Previously, this was disclosed as expendable but legal advice concluded that the fund is permanent endowment.

The value of the permanent endowment fund at 1 January 2020 has been restated to reflect the original capital endowment plus net investment gains and to transfer net income accrued historically to the endowment fund to restricted funds. The impact is to reduce the value of the endowment fund and increase the value of the Philip and Dorothy Green restricted income fund by £73,650. This change has not affected total net assets.

2 STATUS

Making Music is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 8 Holyrood Street, London SE1 2EL.

3 INCOME FROM DONATIONS AND LEGACIES

	2020 £	2019 £
Donations	42,451	27,795
Grants	98,431	94,175
	<u>140,882</u>	<u>121,970</u>

In the preceding period, donation income of £116,422 and total income of £124,504 was restricted.

In addition to the donations above, Making Music received various gifts in kind towards Make Music Day 2020, including musical arrangements and event and marketing support from Music for All, Team London Bridge, Hal Leonard Europe and other partner organisations. In future years, systems will be implemented to measure the value of these gifts with sufficient reliability for inclusion in the financial statements.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4 INCOME FROM CHARITABLE ACTIVITIES

	2020	2020	2020	2019
	Supporting	Supporting	Total	Total
	members	leisure-time		
	£	music	£	£
Membership subscriptions	500,099	-	500,099	495,093
Member services	63,911	-	63,911	35,319
Other services	-	1,015	1,015	1,386
	<u>564,010</u>	<u>1,015</u>	<u>565,025</u>	<u>531,798</u>

5 INCOME FROM OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Advertising	27,564	32,113
Sponsorship	-	12,000
Piano hire	250	1,935
Rental income	17,760	17,787
Other income	609	696
	<u>46,183</u>	<u>64,531</u>

6 EXPENDITURE ON RAISING FUNDS

	2020	2019
	£	£
Staff costs	5,156	-
Advertising agent commission	7,565	9,323
Other fundraising costs	40	-
	<u>12,761</u>	<u>9,323</u>



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	2020	2020	2020	2019
	Supporting	Supporting	Total	Total
	members	leisure-time		
	£	music	£	£
Staff costs	302,993	56,562	359,555	315,499
Direct costs	59,124	61,637	120,761	120,832
Publication costs	22,127	-	22,127	22,672
Selected Artists Panel costs and subsidies	6,257	-	6,257	9,872
Event costs	3,027	-	3,027	8,580
Grants payable	6,500	-	6,500	12,100
Support costs allocated	198,474	37,051	235,525	230,727
	<u>598,502</u>	<u>155,250</u>	<u>753,752</u>	<u>720,282</u>
Support costs comprise:				
Support staff costs			83,070	82,670
Other staff costs			14,446	3,418
Marketing			16,592	17,483
Premises and office costs			83,207	82,935
Depreciation			16,019	12,520
Legal and accountancy fees			6,144	7,626
Other costs			8,277	14,112
Governance costs:				
Trustee expenses			1,470	3,963
Audit fees			6,300	6,000
			<u>235,525</u>	<u>230,727</u>

In the preceding period, £164,824 of expenditure came from restricted funds.

8 NET INCOME/(EXPENDITURE)

	2020	2019
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Depreciation	16,019	12,520
Auditors' remuneration for audit services	6,300	6,000
Auditors' remuneration for non-audit services	2,566	8,010
Operating lease rentals	<u>38,326</u>	<u>37,286</u>

As permitted by s408 Companies Act 2006, the parent charity has not presented its own Statement of Financial Activities and related notes. The parent charity's net income/(expenditure) for the year was (£15,428) (2019: £12,825).



9 STAFF COSTS

	2020 £	2019 £
Gross salaries	394,595	367,923
Employer's National Insurance contributions	31,572	18,940
Employer's pension contributions	11,733	9,101
Agency staff	9,881	2,205
	<u>447,781</u>	<u>398,169</u>

No termination payments were paid during the period (2019: one of £20,346).

Employer's National Insurance contributions for 2019 were reduced by £14,000, representing a backdated claim for Employment Allowance.

There were no employees with employment benefits (excluding employer pension contributions) of more than £60,000 in the current nor preceding period.

At the balance sheet date pension contributions unpaid amounted to £14 (2019: £222).

The average number of full-time equivalent employees during the year was 12 (2019: 11).

10 INTANGIBLE FIXED ASSETS

Group and charity	£
Cost brought forward and carried forward	<u>1,500</u>
Amortisation brought forward and carried forward	<u>1,500</u>
Net book value at 31 December 2019 and 2020	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11 TANGIBLE FIXED ASSETS

Group and charity	<i>Fixtures, fittings and equipment</i> £	<i>Computers and website</i> £	<i>Piano</i> £	<i>Total</i> £
Cost				
Brought forward at 1 January 2020	21,094	116,290	15,000	152,384
Additions	-	9,969	-	9,969
Carried forward at 31 December 2020	21,094	126,259	15,000	162,353
Depreciation				
Brought forward at 1 January 2020	13,115	92,996	-	106,111
Charged for the year	798	14,021	1,200	16,019
Carried forward at 31 December 2020	13,913	107,017	1,200	122,130
Net book value				
At 31 December 2020	7,181	19,242	13,800	40,223
At 31 December 2019	7,979	23,294	15,000	46,273

12 INVESTMENTS

Group	2020 £	2019 £
Listed investments		
Fair value at 1 January 2020	139,721	127,340
Unrealised gains and losses	(17,141)	12,381
	122,580	139,721
Realised gains and losses	-	-
Per Statement of Financial Activities	(17,141)	12,381

In addition, the charity has an investment of £4 (2019: £4), being a holding of 100% of the ordinary share capital, in NFMS Enterprises Limited (company number 02844532, its trading subsidiary. NFMS Enterprises Limited is a company registered in England and Wales with number 02844532. All of its profits are covenanted to the parent charity.

The subsidiary contributed turnover of £50,624 (2019: £38,772), expenditure of £42,306 (2019: £27,683) and a profit to the charity of £8,318 (2019: £11,089). At the balance sheet date, the subsidiary had net assets of £4 (2019: £4).



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13 DEBTORS

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	59,963	37,405	53,799	31,606
Amounts owed by group undertakings	-	-	49,238	2,200
Prepayments and accrued income	30,423	42,486	28,945	60,606
Other debtors	25,057	-	17,342	-
	<u>115,443</u>	<u>79,891</u>	<u>149,324</u>	<u>94,412</u>

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade and other creditors	399,290	443,468	399,212	443,468
Deferred subscription income	405,777	438,072	405,777	438,072
Accruals and other deferred income	28,926	23,104	24,704	23,104
Tax and social security	-	117,641	-	113,307
	<u>833,993</u>	<u>1,022,285</u>	<u>829,693</u>	<u>1,017,951</u>

Included in trade and other creditors are insurance premiums of £336,111 (2019: £324,946) which are held by Making Music as agent on behalf of the insurer. The charity received contributions from members during the year amounting to £429,517 (2019: £437,786) and remitted payments to the insurer amounting to £418,352 (2019: £407,377). Also included are PRS contributions of £44,272 (2019: £98,314) collected from members to be remitted to PRS after the year end.

The movement on deferred membership subscriptions is as follows:

Group and charity	2020 £	2019 £
Balance at 1 January 2020	438,072	416,471
Released to income	(438,072)	(416,471)
Received in the year and deferred	<u>405,777</u>	<u>438,072</u>
Balance at 31 December 2020	<u>405,777</u>	<u>438,072</u>



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15 MOVEMENT ON FUNDS

CURRENT YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	329,720	(17,141)	-	312,579
Restricted funds				
Philip and Dorothy Green income fund	111,085	41,187	(27,290)	124,982
Adopt a Music Creator	18,023	145	800	18,968
P A Thompson fund	35,499	(23,399)	-	12,100
P & D Green Young Artists fund	-	(23,869)	23,869	-
Make Music Day	6,967	8,238	-	15,205
Other restricted funds	7,236	(3,359)	2,621	6,498
	178,810	(1,057)	-	177,753
Unrestricted funds				
Designated funds	97,311	(3,809)	(1,566)	91,936
General fund	266,418	(2,244)	1,566	265,740
	363,729	(6,053)	-	357,676
Total funds	872,259	(24,251)	-	848,008
Current year net movement comprises:	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (losses)</i> £	<i>Net movement</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	-	(17,141)	(17,141)
Restricted funds				
Philip and Dorothy Green income fund	41,187	-	-	41,187
Adopt a Music Creator	25,000	(24,855)	-	145
P A Thompson fund	-	(23,399)	-	(23,399)
P & D Green Young Artists fund	-	(23,869)	-	(23,869)
Make Music Day	65,853	(57,615)	-	8,238
Other restricted funds	7,578	(10,937)	-	(3,359)
	139,618	(140,675)	-	(1,057)
Unrestricted funds				
Designated funds	-	(3,809)	-	(3,809)
General fund	619,785	(622,029)	-	(2,244)
	619,785	(625,838)	-	(6,053)
Total funds	759,403	(766,513)	(17,141)	(24,251)



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15 MOVEMENT ON FUNDS continued

PRIOR YEAR	<i>Brought forward</i> £	<i>Net movement</i> £	<i>Transfers</i> £	<i>Carried forward</i> £
Permanent endowment				
Philip and Dorothy Green endowment fund	317,339	12,381	-	329,720
Restricted funds				
Philip and Dorothy Green income fund	109,330	30,329	(28,574)	111,085
Adopt a Music Creator	35,078	(17,055)	-	18,023
P A Thompson fund	61,050	(25,551)	-	35,499
P & D Green Young Artists fund	1,470	(29,347)	27,877	-
Make Music Day	10,263	(3,296)	-	6,967
Other restricted funds	1,939	4,600	697	7,236
	219,130	(40,320)	-	178,810
Unrestricted funds				
Designated funds	87,096	(13,115)	23,330	97,311
General fund	235,869	53,879	(23,330)	266,418
	322,965	40,764	-	363,729
Total funds	859,434	12,825	-	872,259
Prior year net movement comprises:	Income £	Expenditure £	Gains/ (losses) £	Net movement £
Permanent endowment				
Philip and Dorothy Green endowment fund	-	-	12,381	12,381
Restricted funds				
Philip and Dorothy Green income fund	30,329	-	-	30,329
Adopt a Music Creator	25,000	(42,055)	-	(17,055)
P A Thompson fund	-	(25,551)	-	(25,551)
P & D Green Young Artists fund	-	(29,347)	-	(29,347)
Make Music Day	63,226	(66,522)	-	(3,296)
Other restricted funds	5,949	(1,349)	-	4,600
	124,504	(164,824)	-	(40,320)
Unrestricted funds				
Designated funds	-	(13,115)	-	(13,115)
General fund	605,545	(551,666)	-	53,879
	605,545	(564,781)	-	40,764
Total funds	730,049	(729,605)	12,381	12,825

15 MOVEMENT ON FUNDS continued

Philip and Dorothy Green endowment and restricted funds

This endowment enables us to provide grants, awards, prizes, donations or financial sponsorship to young musicians. It funds the P & D Green Young Artists fund which enables young musicians at the start of their career to gain vital concert and recital experience across the UK. The scheme also allows Making Music member groups to tap into some of the very best young musical talent to programme into their concert. This endowment also part-funds the Adopt a Composer project, run annually by Making Music since 2000 and the Awards programme for composers and arrangers.

Historically, this endowment fund has been disclosed as an expendable fund. During the year, the trustees sought legal advice to confirm this status and the advice concluded that, on balance, the fund should be treated as permanent endowment.

The value of the permanent endowment fund at 1 January 2020 has been restated to reflect the original capital endowment plus net investment gains and to transfer net income accrued historically to the endowment fund to restricted funds. The impact is to reduce the value of the endowment fund and increase the value of the Philip and Dorothy Green restricted income fund by £73,650.

Adopt a Music Creator

This project enables us to pair a leisure-time ensemble with an emerging composer. It provides a unique opportunity for leisure-time musicians to work directly with a composer, be actively involved in the creative process and discover new music. The project is funded by the PRS for Music Foundation and the Philip and Dorothy Green fund. Separate funding for the project in Scotland is received from Creative Scotland.

P A Thompson fund

The objective of the Pauline Thompson legacy fund is to encourage young people aged 15 to 35 to join amateur music groups. It enables us to employ a part-time Youth Engagement Manager and to extend repertoire that will attract young people to sing/play in different types of mixed age music groups.

Make Music Day fund

This is a music sector wide UK project which is co-managed by us, funding from Arts Council England, NAMM, Musicians Union and Music For All is received and managed by Making Music on behalf of an industry-wide steering group. Make Music Day is an international celebration of grassroots musical activity always on 21 June, which started in France in 1982 and now takes place in 125 countries across the globe.

Other restricted funds

These funds enable us to make a number of awards, bursaries, and prizes to individual musicians, groups, and organisations in both the voluntary and professional sector. Some of these, such as the Sir Charles Groves Prizes, recognise lifelong contributions to the musical life of the UK.

Designated funds

The designated funds are intended for use on a new website and new services for members.



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	2020 Unrestricted funds £	2020 Restricted funds £	2020 Endowment funds £	2020 Total funds £
CURRENT YEAR				
Fixed assets	40,223	-	122,580	162,803
Net current assets	317,453	177,753	189,999	685,205
	<u>357,676</u>	<u>177,753</u>	<u>312,579</u>	<u>848,008</u>
PRIOR YEAR				
Fixed assets	46,273	-	139,721	185,994
Net current assets	317,456	178,810	189,999	686,265
	<u>363,729</u>	<u>178,810</u>	<u>329,720</u>	<u>872,259</u>
Charity				
	2020 Unrestricted funds £	2020 Restricted funds £	2020 Endowment funds £	2020 Total funds £
CURRENT YEAR				
Fixed assets	40,223	-	122,584	162,807
Net current assets	317,453	177,753	189,995	685,201
	<u>357,676</u>	<u>177,753</u>	<u>312,579</u>	<u>848,008</u>
PRIOR YEAR				
Fixed assets	46,273	-	139,725	185,998
Net current assets	317,456	178,810	189,995	686,261
	<u>363,729</u>	<u>178,810</u>	<u>329,720</u>	<u>872,259</u>

17 FINANCIAL COMMITMENTS

At 31 December 2020 the charity was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Due within one year	39,197	35,621
Due in two to five years	<u>127,945</u>	<u>164,957</u>



18 RELATED PARTY TRANSACTIONS

The key management personnel are considered to be the trustees, the Chief Executive, the Membership & Operations Director, the Finance Director and the Communications Director.

There were no Trustees' remuneration or other benefits during the current or prior period.

Trustees were reimbursed expenses of £310 (2019: £2,813), in respect of two (2019: eight) trustees for travel and subsistence costs. Ms Clare Birks is related to the owner of the property leased by the charity. The amount of the lease charge payable per annum is £36,996 (2019: £33,996). Ms Birks is excluded from any discussions on property-related matters, and the rent was negotiated on an arm's length basis.

The total amount of employee benefits (including employer's pension contributions) received by key management personnel during the year was £160,615 (2019: £180,478).