

COMMUNITY MUSIC LIMITED

England & Wales · Charity number 293419

Details

Status Registered

Legal form Charitable company

Company number [01967704](#)

Registered 1986-04-24

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

Contact

Address The Brady Arts Centre
192-196 Hanbury Street
London
E1 5HU

Phone 02073770621

Email rich@cmsounds.com

Website www.cmsounds.com

Activities

Objects: TO PROMOTE MAINTAIN IMPROVE AND ADVANCE EDUCATION PARTICULARLY BY THE IMPROVEMENT AND DEVELOPMENT OF PUBLIC TASTE APPRECIATION AND UNDERSTANDING OF MUSIC PARTICULARLY OF JAZZ MUSIC BY THE CONDUCT OF CLASSES AND COURSES THE PRESENTATION OF CONCERTS THE PERFORMANCE OF MUSIC AND THE ENCOURAGEMENT OF THE ARTS INCLUDING THE ARTS OF MUSIC, SINGING, DANCE, DRAMA, LITERATURE, SCULPTURE AND PAINTING.

Activities: Music Training and education

Classification

- **How:** Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£193,696	£241,536	-	-
2024-03-31	£295,053	£545,519	-	-
2023-03-31	£510,278	£500,562	£764,185	17
2022-03-31	£597,198	£488,468	£746,635	6
2021-03-31	£722,292	£529,121	£637,905	6

Trustees

Name	Role	Appointed
Adrian Sykes		2022-09-28
Ehsan Haque		2014-12-09
HELEN SEARLE		
JOHN EUGENE PRINCE		

COMMUNITY MUSIC LIMITED

England & Wales - Charity number 293419

Accounts

COMMUNITY MUSIC
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2025
CHARITY NUMBER: 293419
COMPANY NUMBER: 01967704

Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2025

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Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2025

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2025.

Reference and administrative details

Registered charity name	Community Music Limited
Charity registration number	293419
Company registration number	01967704
Principal office and registered office	The Brady Centre 192-196 Hanbury Street London E1 5HU
The trustees	Helen Searle John Prince Eshan Haque Adrian Sykes
Chief Executive Officer	Richard Clegg (Resigned November 2024, Replaced by Eddie Gower November 2024 to January 2025). Replaced by Lee Clegg acting as General Manager from February 2024 to Present
Company Secretary	Richard Clegg, Resigned, replaced by John Prince
Independent Examiner:	Roger Mutinta
Bankers	Lloyds Bank 40 Rosslyn Hill London NW3 1NL

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Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2025

1. Structure, Governance and Management

1.1 Community Music Limited is a charitable company limited by guarantee, incorporated on 2 December 1985 and registered as a charity on 24 April 1986. The Company was established under a Memorandum of Association, which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

1.2 Methods of appointing new trustees: New trustees are appointed from time to time by the existing trustees. An annual assessment of skills gaps relating to the aims and objectives of the trust is completed by the trustees and new members identified from known professional associates to supply those skills.

1.3 Name of persons entitled to appoint trustees: trustees must be appointed by vote of a quorate meeting, first as a member of the company then as a trustee of the company.

1.4 Trustee induction: new trustees receive an induction pack and session from the Managing Director comprising governing documents, legal and financial responsibilities, detailed financial information, programme and staffing of the company and specific briefing relating to that trustee's role on the Board. They meet with the Chair before appointment and are invited as an observer to one meeting before a decision is made for them to join the board of trustees.

1.5 The organisational structure: The Company is overseen by the trustees at a minimum of 4 meetings a year, although in practise this is usually more, and an annual budget with cash flow including salary levels and staffing changes is proposed by the CEO and approved by the Board. Major policy discussions and programme initiatives relating to that policy are discussed and approved by the Board.

1.6 Statement of relationship with other parties: Community Music has no subsidiaries. It maintains a strong relationship with other similar community music projects and funders through its working partnerships.

1.7 Statement of benefits received by trustees: none.

1.8 The Board of Trustees aims to conduct an annual audit of its skills relating to the relevant arts, education and creative industries sectors. It seeks to appoint new trustees where necessary.

1.9 Due to the extraordinary circumstances between September 2024 and March 2025, which necessitated high levels of direct support and management from the Trustees were financially compensated to acknowledge the significant contributions and the additional time and effort dedicated during this period.

2. Objectives, Activities of the charity and Strategic Report:

1. Overall Strategic Aim

- To be a leading provider of youth music opportunities in London.

2. Youth Music Opportunities

- To provide opportunities for young people to access and participate in creative music making in modern genres.

3. Professional Training

- To create structured access to professional training in music including higher education and vocational training.

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4. Live Music Promotion

- To partner closely with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences.

5. Artist and Business Support

- To support artists in their career development and creation of businesses.

6. Key Targets for 2025/26

Ensuring Continued Provision of Youth Music Opportunities in London

Our primary objective is to continue providing youth music opportunities throughout London. This will empower young people to access and participate in creative music making, specifically focusing on modern genres.

Structured Pathways to Professional Training

We are committed to offering structured access to professional training in music. This comprehensive approach encompasses both higher education and vocational training programs.

Promoting New Talent and Fostering Artist Development

To propel the careers of young musicians, we will endeavour to partner with professional promoters and festival organisers. This collaboration will enable us to:

- **Promote New Talent:** By securing performance opportunities in successful live music contexts that guarantee audiences, we will champion the emergence of new talent.
- **Artist and Business Support:** We will provide artists with artist and business support to cultivate successful careers. This dual focus on artistic development and business acumen will empower young musicians to achieve independence in the music industry.

3. Ensuring our work delivers our aims

In shaping and reviewing Community Music's aims and objectives for the year and planning its activities, the trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Community Music reviews their aims, objectives and activities each year to assess the success of each key activity, and the benefits they have brought to those groups of people they are set up to help revise access. This ensures Community Music's aims, objectives and activities remain focused.

4. Achievements & Performance

Arts Council NPO Status 2023-2026

The Arts Council is early into its review.

CM Activity in 2024/25

With the termination of CM's Degree Access Course (Creative Music Production & Business Degree) the Income CM had received for the course was eliminated in 2024/25, leaving the Art's Council as the only major source of income for CM for the immediate future. This necessitated the release of all the staff working on the course, subject to appropriate redundancy arrangements.

The impact of the closure of Degree Access course was to refocus CM on its community outreach programmes as its main activity, but it also led to these courses being closed down in the short to medium term as the staff resources were no-longer available to run them. In 2024/25 a number of these courses were restarted either wholly or in-part. However the lack of ongoing funding and administrative support meant that it was only possible to support Create 2020 to the end of 2024/25.

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Mind The Music

Previously funded by the JA Clark Trust, Youth Music, Children in Need, and The East End Community Fund, Mind the Music is an ongoing initiative that Community Music now supports with internal funds.

This focuses on the mental health of young people participating in existing Community Music programs, while also extending support to those referred through collaborating organisations:

Mind the Music offers a combination of individual and group sessions to cater to a range of needs:

- **Online Group Sessions:** These sessions foster peer connection and a sense of community, allowing young people to share experiences and support one another.

In total, 36 group sessions throughout the year across three terms.

Create 2020:

Community Music is a proud partner in the innovative Create 20x20 initiative. This collaborative effort, co-funded by the National Lottery and Homes from Haringey, fosters dynamic youth engagement. Each week, 20x20 attracts up to 15 young people, empowering them to:

Craft Their Own Voices: Develop and produce their own radio shows and podcasts, fostering creative expression and communication skills.

Master Digital Tools: Gain valuable digital skills relevant in today's world, including audio editing and production techniques.

Record Their Music: Create and record their own music, allowing them to explore musical expression and share their artistic vision.

Address Personal and Community Issues: Utilise music as a platform to tackle issues that are important to them and their peers.

The 20x20 partnership fosters a vibrant space where young people can find their voice, develop essential skills, and become active participants in shaping their community through the power of music.

ReCharge

Community Music is proud to offer ReCharge, a dynamic youth program designed to empower young creatives aged 12-24. This free initiative provides a supportive environment for participants to explore and develop their talents across a diverse range of creative disciplines:

- **Music Production:** Learn the essential skills to create and record your own music.
- **DJing:** Master the art of DJing, from beat matching and mixing to developing your own unique style.
- **Digital Skills:** Gain valuable proficiency in essential digital tools for creative expression, including audio editing and production software.
- **Podcasting:** Discover the world of podcasting, from concept development to recording and editing.
- **Social media:** Learn how to effectively leverage social media platforms to showcase your work and connect with a wider audience.
- **Business & Marketing:** Develop the business acumen needed to navigate the creative industry, including marketing strategies and self-promotion techniques.
- **Photography:** Explore the fundamentals of photography and hone your visual storytelling skills.

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ReCharge sessions take place every Tuesday evening, fostering a sense of community and collaboration among young creatives. With over 15 participants attending each week, the program provides a vibrant platform for learning, exploration, and creative growth.

Music Production and Business Masterclasses: Offering in-depth exploration of specific areas within the music industry.

Former Partners

Community Music has worked and partnered with the following:

Houghton Festival, Sound Skool, Alexandra Palace, Continental Drifts, Transform UK/TCW/London East Alternative Provision, Tower Hamlets CAMHS, Coburn Centre, Newham, New Direction for the Cultural Education Partnership, First artists Management, Pioneer, Radio 1, University of Essex, Sunway University Malaysia, Kooth.com, Newham Mental Health services and SMART mental health charity, London Met Police, Tower Hamlets Children and Young People's Centre, Tower Hamlets Education Wellbeing Service (THEWs), East London NHS Foundation Trust, The Tavistock and Portman NHS Foundation Trust, Whitechapel Gallery, Cardboard Citizens, The Orchestra of the Age of Enlightenment & Spitalfields Music, Sound and Music, A-Team Arts, CDR, PyroRadio, Homes for Haringey, VIP studio sessions, SMART, Music Education, THAMES, Youth Music, New Direction. Musicians Union and National Education Union, Mayer Brown, Mintell and the University of Westminster,

Current Partners

The Arts Council, the National Lottery and Haringey Council.

5. The Public Benefit of Provision

5.1 All of Community Music's provision is intended to be of public benefit to a variety of people. The majority of Community Music's local youth provision is accessible to anyone aged 13-24 living or studying in Tower Hamlets and Haringey, and during the Covid-19 pandemic lockdown Community Music broadened its online session reach to the whole of the UK to support young and vulnerable people through the lockdown period.

5.2 Community Music does not charge fees for any course or activity on the youth programme.

6. Financial review

6.1 Financial aims of charity

- To maintain reserves to cover 6-12 months operating costs.
- To implement a sustainable fundraising strategy.

6.2 Policy on reserves

1. The Trustees of Community Music recognise their responsibility to have a transparent policy on managing the resources of the company, including financial reserves. They acknowledge this as a requirement under the Statement of Recommended Practice: Accounting and Reporting by Charities.

2. The term 'reserves' is defined as that part of the charity's funds that are freely available for general purposes. In the case of Community Music, almost all the income usually comes from a variety of grant aid and earned income. This would relate to income classified as unrestricted funds, which is available to spend on general charity purposes, once all its commitments have been met and its planned expenditure has been covered.

3. The Trustees of Community Music believe that it is generally in the interests of the charity to work towards a position of holding reserves that would cover 6-12 months operating costs. This is to ensure

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For the year ended 31st March 2025

adequate cash flow flexibility to meet emergency measures, delayed payment of grants and unpredictable variations in expected income.

4. With the termination of the Degree Access course, along with the actions taken by the Trustees to deal with the challenges that followed, Community Music has experienced a decrease in surplus over the past few years. This year, our income and surplus have decreased due to an inability to immediately replace the income lost, and a very challenging fundraising environment.

6.3 Income and Turnover

Period	2021-22	2022-23	2023-24	2024-25
Income:				
Unrestricted	£597,198	£510,278	£245,613	£145,252
Restricted	£90,052	£52,976	£49,440	£48,444
Surplus(deficit)	£108,730	£17,550	(£250,466)	(£47,840)

Community Music Trustees aim to maintain a robust business model through effective fundraising, tight cost control, protecting the brand quality and keeping ahead of the sector with initiatives.

Community Music Trustees are committed to maintaining a robust business model, but the current funding environment is unfavourable with all major funding agencies facing significant financial pressure. With support from an experience fund raiser in 2024/25 CM looked at alternative options for securing new funds but none were successful.

6.4 Financial Stability and Resilience

With the termination of the Degree course, CM continues to face the challenge of replacing this level of income when all the traditional sources have declined or ended. CM had sufficient reserves to relaunch its community activities in 2024/25 on a modest scale but lacks the means to continue this in 2025/26 without additional and significant sources of new funding.

Community Music remains an Arts Council National portfolio client, and their current funding stands at £136,426 per year, but CM was unable to secure new sources of funding required in 2024/25 for the Arts Council to confirm its ongoing financial support. The Arts Council requirements have become increasingly onerous for a small organisation.

6.5 Trusts and Foundations

Community Music has a good track record of securing funding from trusts and foundations. However, the environment for grant funding during 2024/25 was harsh – the incoming Labour Government did not announce any new funding for the Arts Sector whilst financial pressures on Local Government removed them as a meaningful alternative. CM engaged with a fund raiser to identify new sources of funding and whilst she was unable to identify any opportunities amongst the Trusts etc, she did find some significant sources of funding in Further Education. However, this funding is dependent of Government Policy decisions over an uncertain timescale. Funding from the Arts Council and the National Lottery Community Grant remain the only significant source of external grant funding in 2024/25.

6.6 Fundraising Strategy

Given the current situation, the Board decided in January 2025 that if the situation had not materially improved by June 2025, they would review whether CM could continue its current level of activities without assured support from the Arts Council.

6.7 Funding Pressures.

Community Music is the recipient of funds from the Arts Council and was successfully awarded a three-year National Portfolio funding agreement in 2023/24, running until 2025/26. As the funding is tied to a programme of specific projects and outputs and covers core costs, but it is insufficient to cover all CM's costs. The Arts Council view their funding as investment rather than grant aid and are specific about the returns they wish to see, which in the current circumstances are unachievable.

Although CM has had a very good relationship with the Arts Council, it has maintained the requirement for the outcomes and outputs as per the funding agreement, whilst acknowledging CM's radically changed circumstances. This risks CM spending scarce resources without assurance that it will be refunded by the Arts Council.

The rapid change in CM's circumstances has limited the available options, including forming a partnership with another music organisation. Although this option has been actively and fully investigated, it has not been possible to achieve, due to a poor match with the limited pool of potential partners available.

7. Risk Statement

The Trustees actively review the major risks to the company on a regular basis and believe that maintaining free reserves combined with internal review of financial controls provides sufficient protection against unforeseen financial variations. Other operational risks are assessed annually, and effective action taken to mitigate these risks.

8. Going Concern

The Trustees consider CM to be a viable organisation, having fulfilled its obligations and significantly reduced ongoing expenditure. However, they are aware that without new sources of income or partnerships, the short-term outlook for CM, as it currently operates and is structured, is limited.

9. Volunteers

All our work is carried out by our paid team. However, we should like to thank those who have given their time voluntarily to provide pro-bono advice and support to us during this period. This has enhanced and enriched our work. The advice and support are generally project based or relating to specific aspects of our work. The efforts of volunteers constitute a valuable element of the charity's activities.

Trustees' Responsibilities Statement

Directors Responsibilities

- (a) The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.
- (b) Company law requires the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the charity and of the surplus or deficit profit or loss of the charity for that period.
- (c) in preparing the financial statements the directors are required to:
 - i. Select suitable accounting policies and then apply them consistently.

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Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2025

- ii. Make judgements and accounting estimates that are reasonable and prudent.
 - iii. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - iv. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- (d) The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act.
- (e) The directors are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- (f) Where appropriate, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.
In the case of CA 06 Co.s418(2) each of the persons who are directors at the time when the report is approved, the following applies:
- (a) So far as each director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
 - (b) Each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The trustees' annual report was approved on 23rd December 2025 and signed on behalf of the board of trustees by:

Adrian Sykes

A Sykes - Trustee

23/12/2025

John Prince

John Prince (Dec 23, 2025 11:34:09 GMT)

J Prince - Trustee

23/12/2025

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF COMMUNITY MUSIC

I report to the trustees on my examination of the financial statements of Community Music Ltd (the Charity) for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the statement of financial position, statement of cashflow and related notes.

Responsibilities and basis of report

As the charity's trustees of Community Music Ltd (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of Community Music Ltd are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011. In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145 of the 2011 Act).

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. My work has therefore been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Independent examiner's statement

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

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act: or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS102).

I have not identified any concerns or other matters during the examination that need to be highlighted in this report to ensure a proper understanding of the financial statements



Roger Mutinta BA, ACCA
Independent Examiner
Date: 23rd December 2025

Community Music
Company Limited by Guarantee
Statement of Financial Activities
For the year ended 31st March 2025

				2025	2024
		Unrestricted	Restricted		
		funds	funds	Total funds	Total funds
Note		£	£	£	£
Income and endowments					
Donations	5	140,209	-	140,209	139,109
Charitable activities	6	3,624	48,444	52,068	154,629
Investment income	7	1,419	-	1,419	1,315
Other income	8	-	-	-	-
Total income		145,252	48,444	193,696	295,053
Expenditure					
Expenditure on raising funds	9	6,370	-	6,370	49,750
Expenditure on charitable activities	10	235,166	-	235,166	495,769
Total expenditure		241,536	-	241,536	545,519
Net income and net movement in funds		(96,284)	48,444	(47,840)	(250,466)
Total funds brought forward		399,781	100,693	500,474	764,185
Total funds carried forward		303,497	149,137	452,634	513,719

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

The notes on pages 15 to 25 form part of these financial statements

Community Music
Company Limited by Guarantee
Statement of Financial Position
31st March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	19	5,454	29,122
Current assets			
Debtors	20	42,480	58,103
Cash at bank and in hand		415,184	447,270
Total current assets		<u>457,664</u>	<u>505,373</u>
Creditors: amounts falling due within one year	21	<u>(10,484)</u>	<u>(20,776)</u>
Net current assets		447,180	484,597
Net current assets		<u>452,634</u>	<u>513,719</u>
Funds of the charity			
Restricted funds		149,137	100,693
Unrestricted funds	23	<u>303,497</u>	<u>413,026</u>
Total charity funds		<u>452,634</u>	<u>513,719</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 23rd December 2025, and are signed on behalf of the board by:

Adrian Sykes

A Sykes
Trustee

23/12/2025

Company Registration Number: 01967704

John Prince

John Prince (Dec 23, 2025 11:34:09 GMT)

J Prince
Trustee

23/12/2025

The notes on pages 15 to 25 form part of these financial statements

Community Music
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Statement of Cash Flows
For the year ended 31st March 2025

Cash flows from operating activities	2025	2024
	£	£
Net income	(47,840)	(250,466)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	23,668	14,543
Other interest receivable and similar income	(1,419)	(1,315)
<i>Changes in:</i>		
Trade and other debtors	15,622	123,318
Trade and other creditors	(10,292)	9,303
Cash generated from operations	(20,261)	(104,617)
Interest received	1,419	1,315
Net cash from operating activities	(18,842)	(103,302)
Cash flows from investing activities		
Purchase of tangible assets	-	(22,512)
Net increase in cash and cash equivalents	(32,086)	(125,814)
Cash and cash equivalents at beginning of year	447,270	573,084
Cash and cash equivalents at end of year	415,184	447,270

The notes on pages 15 to 25 form part of these financial statements

1. General information.

The charity is a public benefit entity as defined by FRS102 and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Brady Centre, 192-196 Hanbury Street, London, E1 5HU

2. Statement of compliance.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP) (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The Charity 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)

In preparing the financial statements the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items was required. After due consideration, it was concluded that no restatement of the comparatives was required.

The trustees have considered all relevant factors, including the long-term impact of COVID-19 on the charity's activities and have concluded there is no significant impact on the organisation.

It is therefore considered that the going concern status remains intact, and there are no material uncertainties about the charity's ability to continue.

Incoming resources

Voluntary income, including donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised

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Notes to the Financial Statements
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as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement.

Legacy income is recognised when receipt is probable, and entitlement is established.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. With the exception of Cycle Scheme Assets, the costs of minor additions or those costing below £2,500 are not capitalized

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Straight-line basis over 3 years • Office equipment & furniture

straight line basis over 2 years • Studio equipment

straight line basis over 3 years • Computers & musical equipment

straight line basis over 3 years • Cycle & computer scheme

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash generating unit to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted. Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Community Music Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2025

5. Donations

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Other Donations (under £5,000)	13	-	13	2,144
Grants				
The Arts Council	140,196	-	140,196	136,965
National Foundation Youth Music	-	-	-	-
	<u>140,209</u>	<u>-</u>	<u>140,209</u>	<u>139,109</u>

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Accredited courses • fee income	-	-	-	97,500
Local projects & other training • grants and fees	-	48,444	48,444	49,440
Other income from charitable activities	3,624	-	3,624	7,689
	<u>3,624</u>	<u>48,444</u>	<u>52,068</u>	<u>154,629</u>

7. Investment income

	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Bank interest receivable	<u>1,419</u>	<u>1,315</u>

8. Other income

	Unrestricted Funds 2025	Unrestricted Funds 2024
Equipment sales	<u>-</u>	<u>-</u>

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2025

	Unrestricted Funds	Restricted Funds	Total Funds 2025	Total Funds 2024
	£	£	£	£
9. Costs – other trading activities				
Fundraising and publicity costs	<u>6,370</u>	<u>-</u>	<u>6,370</u>	<u>49,750</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2025	Total Funds 2024
	£	£	£	£
Local youth music promotion	-	-	-	50,974
Professional training	157,400	-	157,400	303,409
Support costs	77,766	-	77,766	141,386
	<u>235,166</u>	<u>-</u>	<u>235,166</u>	<u>495,769</u>

11. Expenditure on charitable activities by activity type

	Direct Activities	Support Costs	Total funds 2025	Total Funds 2024
	£	£	£	£
Local youth music promotion	-	11,769	11,769	72,371
Professional training	157,400	56,937	214,337	405,398
Governance costs	-	9,060	9,060	18,000
	<u>157,400</u>	<u>77,766</u>	<u>235,166</u>	<u>495,769</u>

12. Analysis of governance costs

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2024
	£	£	£	£
Audit & accountancy fees	3,060	-	3,060	3,000
Legal & Professional	6,000	-	6,000	15,000
	<u>9,060</u>	<u>-</u>	<u>9,060</u>	<u>18,000</u>

Community Music
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Notes to the Financial Statements
For the year ended 31st March 2025

13. Analysis of support costs (excluding governance costs)	Local Youth music promotion	Professional training	Total 2025	Total 2024
	£	£	£	£
Staff costs	377	1,822	2,199	87,231
Premises	3,345	16,181	19,526	16,979
Communications and IT	352	1,705	2,057	4,623
Human resources & Legal costs	5,690	27,527	33,217	7,186
Finance costs	19	93	112	180
Support costs: Other costs	1,986	9,608	11,594	7,187
	11,769	56,936	68,705	123,386

14. Net income

Net income is stated after charging/(crediting):	2025	2024
	£	£
Depreciation of tangible fixed assets	23,668	14,543
Operating lease rentals	-	1,584

15. Auditors remuneration

	2025	2024
	£	£
Fees payable for the audit of the audited financial statements	2,000	2,000
Fees for non-audit services	1,060	1,000

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	2,643	219,135
Social security costs	155	11,369
Employer contributions to pension plans	48	3,932
	2,846	234,436

Community Music
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Notes to the Financial Statements
For the year ended 31st March 2025

17. Staff costs (continued)

	2025	2024
	No	No
Accredited courses	-	1
Artist development	-	-
Development, Education, Networking	-	-
Fundraising and publicity	-	-
	<u>0</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £nil (2024: £nil).

18. Trustee remuneration and expenses

During the year, one trustee received a £7,000 ex-gratia payment (2024: £nil).

Community Music
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Notes to the Financial Statements
For the year ended 31st March 2025

19. Tangible Assets

Cost	Office Equipment	Studio Equipment	Computer and Musical Equipment	Cycle & Computer Scheme	Total
	£	£	£	£	£
At 1 April 2024	34,150	29,156	108,834	3,307	175,447
Additions	-	-	-	-	-
At 31 March 2025	<u>34,150</u>	<u>29,156</u>	<u>108,834</u>	<u>3,307</u>	<u>175,447</u>
Depreciation					
At 1 April 2024	17,313	29,156	96,999	3,307	146,775
Charge for the year	11,383	-	11,835	-	23,218
At 31 March 2024	<u>28,696</u>	<u>29,156</u>	<u>108,834</u>	<u>3,307</u>	<u>169,993</u>
At 31 March 2024	<u>5,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,454</u>
At 31 March 2023	<u><u>1,707</u></u>	<u><u>-</u></u>	<u><u>19,446</u></u>	<u><u>-</u></u>	<u><u>21,153</u></u>

20. Debtors

	2025	2024
	£	£
Accounts Receivable	-	16,188
Accrued Income	38,607	37,500
Prepayments	3,874	4,416
	<u>42,481</u>	<u>58,104</u>

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2025

21. Creditors: amounts falling due within one year

	2025	2024
	£	£
Accounts Payable	3,702	2,414
Accruals & Def Income	6,705	18,000
Social security and other taxes	-	230
Other creditors	78	132
	10,484	20,776

The other creditors relate to a pension liability of £ £nil (2024: £132).

22. Pensions and other post - retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £nil (2024: £5,243).

23. Analysis of charitable funds

Unrestricted funds	At 1 April 2024	Income	Expenditure	At 31 March 2025	At 31 March 2024
	£	£	£	£	£
General funds	399,781	145,252	(241,536)	303,497	413,025

Restricted funds

	At 1 April 2024	Income	Expenditure	At 31 March 2025	At 31 March 2024
	£	£	£	£	£
Youth Music • General	88,024	-	-	88,024	90,831
Children in need	1,335	-	-	1,335	1,335
Youth Music • 'Can Play, Will Play'	581	-	-	581	581
Arts Council • Capital Grant	10,753	48,444	-	50,167	7,946
	100,693	48,444	-	149,137	100,693

24. Analysis of charitable funds (continued)

Purposes of Funds

BBC Children in Need (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

J A Clarke Charitable Trust (General Youth Music) – To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

BBC Children in Need (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

East End Community Fund (General Youth Music) – To support ReCharge, free sessions are run by experienced tutors in professional industry standard studios. Available to those between the ages of 12 and 25. National Foundation MTM Plus (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

Homes for Haringey (General Youth Music) – to enable young people to produce their own radio shows, podcasts and skills.

25. Analysis of net assets between funds

	Un restricted	Restricted	Total Funds 2025
	Funds	Funds	
	£	£	£
Tangible fixed assets	5,454	-	5,454
Current assets	303,527	149,137	457,664
Creditors less than 1 year	(10,484)	-	(10,484)
	303,497	149,137	452,634

	Unrestricted	Restricted	Total Funds 2024
	Funds	Funds	
	£	£	£
Tangible fixed assets	17,287	11,835	29,122
Current assets	416,515	88,858	505,373
Creditors less than 1 year	(20,776)	-	(20,776)
	413,026	100,693	513,719

26. Analysis of changes in net debt

	At 1 April 2024	Cashflow	At 31 March 2025
	£	£	£
Cash at bank and in cash	447,270	(32,086)	415,184

27. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

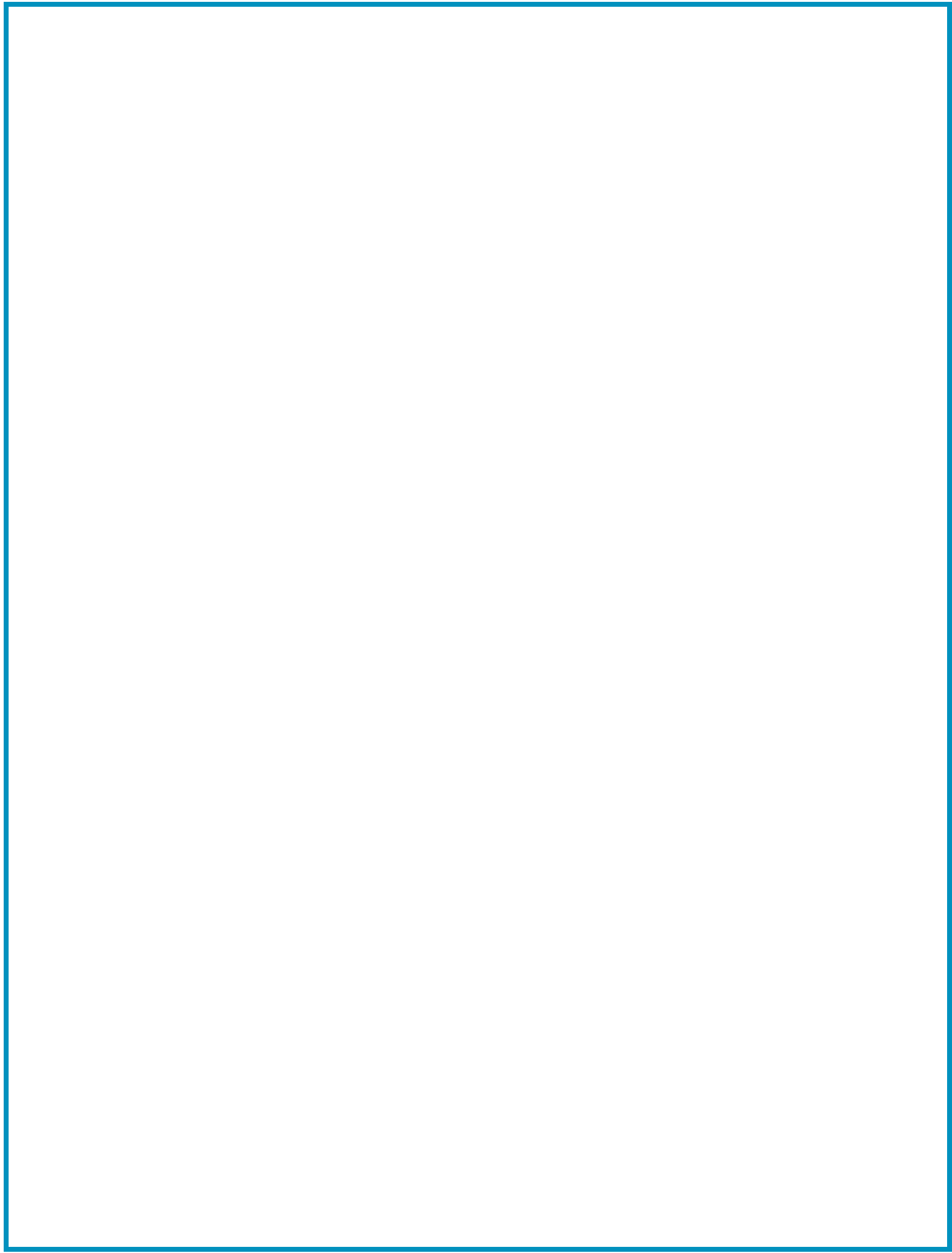
	2025	2024
	£	£
Not later than 1 year	-	1,584
Later than 1 year and not later than 5 years	-	-
	<u>-</u>	<u>1,584</u>

28. Operating lease commitments

The trustees have considered the likelihood of any significant post balance sheet events and have concluded that there are none which impact the financial statements.

29. Related parties

Due to the extraordinary circumstances between September 2024 and March 2025, which necessitated high levels of direct support and management from the Trustees, they were financially compensated to acknowledge their significant contributions and the additional time and effort they dedicated during this period.



COMMUNITY MUSIC LIMITED

England & Wales - Charity number 293419

Accounts

COMMUNITY MUSIC
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2024
CHARITY NUMBER: 293419
COMPANY NUMBER: 01967704

Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2024

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Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2024.

Reference and administrative details

Registered charity name	Community Music Limited
Charity registration number	293419
Company registration number	01967704
Principal office and registered office	The Brady Centre 192-196 Hanbury Street London E1 5HU
The trustees	Helen Searle Chair John Prince Eshan Haque Adrian Sykes (Joined 28 September 2022)
Chief Executive Officer	Richard Clegg (Resigned November 2024, Replaced by Eddie Gower November 2024 to January 2025)
Company Secretary	Richard Clegg, Resigned, replaced by John Prince
Independent Examiner:	Roger Mutinta
Bankers	Lloyds Bank 40 Rosslyn Hill London NW3 1NL Solicitors Harbottle and Lewis 14 Hanover Square London W1S 1HP

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Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2024

1. Structure, Governance and Management

1.1 Community Music Limited is a charitable company limited by guarantee, incorporated on 2 December 1985 and registered as a charity on 24 April 1986. The Company was established under a Memorandum of Association, which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

1.2 Methods of appointing new trustees: New trustees are appointed from time to time by the existing trustees. An annual assessment of skills gaps relating to the aims and objectives of the trust is completed by the trustees and new members identified from known professional associates to supply those skills.

1.3 Name of persons entitled to appoint trustees: trustees must be appointed by vote of a quorate meeting, first as a member of the company then as a trustee of the company.

1.4 Trustee induction: new trustees receive an induction pack and session from the Managing Director comprising governing documents, legal and financial responsibilities, detailed financial information, programme and staffing of the company and specific briefing relating to that trustee's role on the Board. They meet with the Chair before appointment and are invited as an observer to one meeting before a decision is made for them to join the board of trustees.

1.5 The organisational structure: The Company is overseen by the trustees at a minimum of 4 meetings a year, although in practise this is usually more, and an annual budget with cash flow including salary levels and staffing changes is proposed by the CEO and approved by the Board. Major policy discussions and programme initiatives relating to that policy are discussed and approved by the Board.

1.6 Statement of relationship with other parties: Community Music has no subsidiaries. It maintains a strong relationship with other similar community music projects and funders through its working partnerships.

1.7 Statement of benefits received by trustees: none.

1.8 The Board of Trustees aims to conduct an annual audit of its skills relating to the relevant arts, education and creative industries sectors. It seeks to appoint new trustees where necessary.

2. Objectives, Activities of the charity and Strategic Report:

1. Overall Strategic Aim

- To be a leading provider of youth music opportunities in London.

2. Youth Music Opportunities

- To provide opportunities for young people to access and participate in creative music making in modern genres.

3. Professional Training

- To create structured access to professional training in music including higher education and vocational training.

4. Live Music Promotion

- To partner closely with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences.

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5. Artist and Business Support

- To support artists in their career development and creation of businesses.

6. Key Targets for 2023-24

Ensuring Continued Provision of Youth Music Opportunities in London

Our primary objective is to continue providing youth music opportunities throughout London. This will empower young people to access and participate in creative music making, specifically focusing on modern genres.

Structured Pathways to Professional Training

We are committed to offering structured access to professional training in music. This comprehensive approach encompasses both higher education and vocational training programs.

Promoting New Talent and Fostering Artist Development

To propel the careers of young musicians, we will partner with professional promoters and festival organisers. This collaboration will enable us to:

- **Promote New Talent:** By securing performance opportunities in successful live music contexts that guarantee audiences, we will champion the emergence of new talent.
- **Artist and Business Support:** We will provide artists with artist and business support to cultivate successful careers. This dual focus on artistic development and business acumen will empower young musicians to achieve independence in the music industry.

3. Ensuring our work delivers our aims

In shaping and reviewing Community Music's aims and objectives for the year and planning their activities, the trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Community Music reviews their aims, objectives and activities each year to assess the success of each key activity, and the benefits they have brought to those groups of people they are set up to help. This ensures Community Music's aims, objectives and activities remain focused on their stated purposes.

4. Achievements and performance

Arts Council NPO Status 2023-2026

The Arts Council provided positive feedback on Community Music's work and application, reaffirming its status as a long-standing National Portfolio Organisation. While rising inflation and the UK government's Levelling Up program pose challenges for London-based organisations, Community Music is delighted to continue its relationship with the Arts Council. This ensures that the funding will continue to support young creatives both in London and other regions.

Termination of The Creative Music Production and Business Degree

CM's Degree Access Two-Term Course was under review by its academic partner the University of Westminster for re-accreditation of its major module, which it successfully achieved in August 2023. However, shortly after re-accreditation had been achieved, it emerged that the changes made to the part of the course under accreditation had significantly increased the cost of delivering it, without securing a matching increase in income.

This situation coincided with the discovery of a change in the government's approach to access to Higher Education which meant that organisations like CM could no-longer provide access to students coming from outside the traditional O and A level route but now had to compete to recruit students from the same sources as the universities themselves.

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This situation led to the resignation of the Chief Executive in September 2023, stepping down in November 2023 to be replaced by an interim Chief Executive until January 2024. Initially, it was thought that the both the 1st and 2nd Year cohorts would be able continue the course, until it emerged that the number of students needed to make the course financially viable exceeded both the actual number recruited and CM's ability to accommodate the required additional students within its existing accommodation at Brady Street.

This led to a rapid and successful engagement with the university to take on all of CM's students after the end of the first term in December 2024. This secured the educational future for the 60 plus students but led all the tutors and support staff for the course being released at the end of January 2024. It also led to a major reduction in CM's income for 2023/24 due to the reduction of Degree Access course income, and its elimination in 2024/25, leaving the Art's Council as the only major source of income for CM for the immediate future.

The impact of the closure of Degree Access course was to refocus CM on its community outreach programmes as its main activity, but also led to these courses being closed down in the short to medium term as the staff resources were no-longer available to run them:

Mind The Music

Previously funded by the JA Clark Trust, Youth Music, Children in Need, and The East End Community Fund, Mind the Music is an ongoing initiative that Community Music now supports with internal funds.

This project focuses on the mental health of young people participating in existing Community Music programs, while also extending support to those referred through collaborating organisations:

CAMHS (Child and Adolescent Mental Health Services) provides vital support for young people experiencing mental health challenges.

The Coburn Centre is an inpatient adolescent mental health facility in Newham, offering specialised care for young people requiring a more structured environment.

Mind the Music offers a combination of individual and group sessions to cater to a range of needs:

- **Online 1:1 Sessions:** These personalised sessions provide tailored support for individual participants.
- **Online Group Sessions:** These sessions foster peer connection and a sense of community, allowing young people to share experiences and support one another.

In total, 36 group sessions throughout the year across three terms.

Artist development

Despite the absence of live events during the 2022-23 season, Community Music remained committed to fostering artistic development and community engagement. The organisation successfully pivoted to a virtual platform, hosting a series of free online masterclasses.

These dynamic sessions catered to a wide range of interests, covering essential skills in:

- Music Production
- DJing
- Digital Skills
- Podcasting
- Social Media Management
- Music Business & Marketing
- Photography

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Each masterclass featured a blend of professional music tutors and industry experts, ensuring participants received valuable insights and practical guidance from established figures in their respective fields.

Create 2020:

Community Music is a proud partner in the innovative Create 20x20 initiative. This collaborative effort, co-funded by the National Lottery and Homes from Haringey, fosters dynamic youth engagement. Each week, 20x20 attracts up to 15 young people, empowering them to:

Craft Their Own Voices: Develop and produce their own radio shows and podcasts, fostering creative expression and communication skills.

Master Digital Tools: Gain valuable digital skills relevant in today's world, including audio editing and production techniques.

Record Their Music: Create and record their own music, allowing them to explore musical expression and share their artistic vision.

Address Personal and Community Issues: Utilise music as a platform to tackle issues that are important to them and their peers.

The 20x20 partnership fosters a vibrant space where young people can find their voice, develop essential skills, and become active participants in shaping their community through the power of music.

ReCharge

Community Music is proud to offer ReCharge, a dynamic youth program designed to empower young creatives aged 12-24. This free initiative provides a supportive environment for participants to explore and develop their talents across a diverse range of creative disciplines:

- **Music Production:** Learn the essential skills to create and record your own music.
- **DJing:** Master the art of DJing, from beat matching and mixing to developing your own unique style.
- **Digital Skills:** Gain valuable proficiency in essential digital tools for creative expression, including audio editing and production software.
- **Podcasting:** Discover the world of podcasting, from concept development to recording and editing.
- **Social media:** Learn how to effectively leverage social media platforms to showcase your work and connect with a wider audience.
- **Business & Marketing:** Develop the business acumen needed to navigate the creative industry, including marketing strategies and self-promotion techniques.
- **Photography:** Explore the fundamentals of photography and hone your visual storytelling skills.

ReCharge sessions take place every Tuesday evening, fostering a sense of community and collaboration among young creatives. With over 15 participants attending each week, the program provides a vibrant platform for learning, exploration, and creative growth.

Short Courses for Adults and Professional Education

Following the lifting of lockdown restrictions, Community Music seized the opportunity to re-energize young people's engagement with on-site courses. This included a series of stimulating short courses delivered directly at the facility, featuring topics such as:

Introduction to Music Technology and Production: Equipping participants with the foundational skills to create and record their own music.

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Music Production and Business Masterclasses: Offering in-depth exploration of specific areas within the music industry.

Digital Marketing: Empowering young creatives to effectively navigate the digital landscape and promote their work.

Digital Delivery and Blended Learning

Throughout the 2023-24 academic year, Community Music embraced a multifaceted approach to learning, leveraging a combination of high-quality digital delivery and blended learning models. This strategic shift not only ensured program continuity during the pandemic but also opened doors to a wider audience.

Community Music's commitment to digital learning extends beyond delivery methods. The organisation's online support resources and library have continued to expand, offering a wealth of valuable materials accessible to students anytime, anywhere.

This emphasis on digital tools serves a dual purpose:

Equipping Young People with Transferable Skills: By prioritising digital skills development, Community Music empowers young people to gain expertise relevant across diverse industries.

Bridging the Digital Divide and Skills Gap: The organisation recognizes the importance of addressing the digital divide and the growing need for digital competencies within the cultural sector. Investing in accessible digital resources ensures all participants have the opportunity to thrive in an increasingly digital world.

Partners

Community Music worked and partnered with the following:

Houghton Festival, Sound Skool, Alexandra Palace, Continental Drifts, Transform UK/TCW/London East Alternative Provision, Tower Hamlets CAMHS, Coburn Centre, Newham, New Direction for the Cultural Education Partnership, First artists Management, Pioneer, Radio 1, University of Essex, Sunway University Malaysia, Kooth.com, Newham Mental Health services and SMART mental health charity, London Met Police, Tower Hamlets Children and Young People's Centre, Tower Hamlets Education Wellbeing Service (THEWs), East London NHS Foundation Trust, The Tavistock and Portman NHS Foundation Trust, Whitechapel Gallery, Cardboard Citizens, The Orchestra of the Age of Enlightenment & Spitalfields Music, Sound and Music, A-Team Arts, CDR, PyroRadio, Homes for Haringey, VIP studio sessions, SMART, Music Education, THAMES, Youth Music, New Direction. Musicians Union and National Education Union, Mayer Brown, Mintell, University of Westminster and The Arts Council.

5. The Public Benefit of Provision

5.1 All of Community Music's provision is intended to be of public benefit to a variety of people. The majority of Community Music's local youth provision is accessible to anyone aged 13-24 living or studying in Tower Hamlets and Haringey, and during the Covid-19 pandemic lockdown Community Music broadened its online session reach to the whole of the UK to support young and vulnerable people through the lockdown period.

5.2 Community Music does not charge fees for any course or activity on the youth programme. The higher education provision is accessible by anyone aged 18 and above and is not restricted geographically. Community Music specifically targets those people who would not normally be able to access higher education, either through a lack of formal qualifications or for financial reasons and uses targeted demographic marketing to encourage local recruitment.

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5.3 Community Music's higher education tuition fees were significantly lower than the standard degree cost and the FdA: Creative Music Production and Business course is fully supported by the student loans system for those who cannot afford the initial tuition cost outright. Monthly payment schemes are also available for other adult, and HE programmes - Community Music works hard to ensure no one is excluded due to financial reasons where possible. The facilities are fully accessible and have full wheelchair access.

6. Financial review

6.1 Financial aims of charity

- To maintain reserves to cover 6-12 months operating costs.
- To implement a sustainable fundraising strategy.

6.2 Policy on reserves

1. The Trustees of Community Music recognise their responsibility to have a transparent policy on managing the resources of the company, including financial reserves. They acknowledge this as a requirement under the Statement of Recommended Practice: Accounting and Reporting by Charities.
2. The term 'reserves' is defined as that part of the charity's funds that are freely available for general purposes. In the case of Community Music, almost all the income usually comes from a variety of grant aid and earned income. This would relate to income classified as unrestricted funds, which is available to spend on general charity purposes, once all its commitments have been met and its planned expenditure has been covered.
3. The Trustees of Community Music believe that it is generally in the interests of the charity to work towards a position of holding reserves that would cover 6-12 months operating costs. This is to ensure adequate cash flow flexibility to meet emergency measures, delayed payment of grants and unpredictable variations in expected income.
4. Community Music has increased its surplus over the past three years. This year our income and surplus has increased due to the increase in students on the FDA programme, cost control and successful fundraising for equipment and youth and community projects.

6.3 Income and Turnover

Period	- 2021-22	2022-23	2023-24
Income:			
Unrestricted	- £597,198	£510,278	£245,613
Restricted	- £90,052	£52,976	£49,440
Surplus(deficit)	- £108,730	£17,550	(£250,466)

Community Music Trustees are concerned to maintain a robust business model through effective fundraising, tight cost control, protecting the brand quality and keeping ahead of the sector with initiatives.

6.4 Financial Stability and Resilience

Community Music has continued to build earned income and decrease dependence on grant aid. 85% of Community Music's income in 2023-24 is classified as unrestricted funds. Whilst remaining financially accessible for students, the Foundation Degree generated a significant proportion of the income through tuition fees and supports the delivery of the free access education programmes on offer at Community Music. With the termination of this source of income, CM faces the challenge of replacing this level of income when all the traditional sources have declined or ended. CM has sufficient reserves to relaunch

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For the year ended 31st March 2024

it's community activities in 2024/25 on a modest scale, but requires new partnerships to leverage CM's reputation and resources, along with new funding, to move forward and prosper from 2025/26 onwards.

Community Music remains an Arts Council National portfolio client, and their current funding stands at £136,426 per year, but progress will need to be demonstrated to enable confirmation of its ongoing support. This is likely to be contingent on successful applications to new funding opportunities.

The Arts Council percentage ratio return has been around £5.60 for every £1 invested.

6.5 Trusts and Foundations

Community Music has a good track record of securing funding from trusts and foundations. Current income includes funding from the Arts Council, National Lottery Community Grant.

6.6 Fundraising Strategy

Community Music's financial model remains one that seeks income from a variety of different sources and is not solely dependent on grant aid. Community Music's key focus is to ensure the charity continues to seek new sources of income and funding, including self-generated income, to protect itself and to ensure long-term viability.

The fundraising strategy which exploits many sources of income including:

- Funding from CSR, regular individual giving, high net worth individuals and organisations
- Other earned income from Adult Creative learning sales,
- Continuing current funding relationships with HE and other service providers
- Continuing to generate income through grant aid.

6.7 Unrestricted funding for general purposes.

Community Music is the recipient of funds from the Arts Council and was successfully awarded a three-year National Portfolio funding agreement this year, lasting until 2026. The funding is tied to a programme of specific projects and outputs and covers core costs. The Arts Council view their funding as investment rather than grant aid and are specific about the returns they wish to see. Community Music has a good relationship with the Arts Council and the Relationship Manager is working closely with Community Music to develop that relationship further.

The rapid change in CM's circumstances means that new ways forward, including partnership with another music organisation are now being considered.

7. Risk Statement

The trustees actively review the major risks to the company on a regular basis and believe that maintaining free reserves combined with internal review of financial controls provides sufficient protection against unforeseen financial variations. Other operational risks are assessed annually, and effective action taken to mitigate these risks.

8. Going Concern

The trustees consider CM to still be a viable organisation, having discharged the vast bulk of its obligations and sharply reduced ongoing expenditure, but are conscious that without either new source(s) of income and/or new partnerships, the medium-term outlook for CM is limited.

Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2024

9. Volunteers

All our work is carried out by our paid team. However, we should like to thank those who have given their time voluntarily to provide pro-bono advice and support to us during this period. This has enhanced and enriched our work. The advice and support are generally project based or relating to specific aspects of our work. The efforts of volunteers constitute a valuable element of the charity's activities.

Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2024

Trustees' Responsibilities Statement

Directors Responsibilities

- (a) The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.
- (b) Company law requires the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the charity and of the surplus or deficit profit or loss of the charity for that period.
- (c) in preparing the financial statements the directors are required to:
 - i. Select suitable accounting policies and then apply them consistently.
 - ii. Make judgements and accounting estimates that are reasonable and prudent.
 - iii. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - iv. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- (d) The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act.
- (e) The directors are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- (f) Where appropriate, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.
In the case of CA 06 Co.s418(2) each of the persons who are directors at the time when the report is approved, the following applies:
 - (a) So far as each director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
 - (b) Each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The trustees' annual report was approved on 18th June 2024 and signed on behalf of the board of trustees by:



H Searle - Chair



J Prince - Trustee

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF COMMUNITY MUSIC

I report to the trustees on my examination of the financial statements of Community Music Ltd (the Charity) for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the statement of financial position, statement of cashflow and related notes.

Responsibilities and basis of report

As the charity's trustees of Community Music Ltd (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of Community Music Ltd are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011. In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145 of the 2011 Act).

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. My work has therefore been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Independent examiner's statement

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

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act: or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS102).

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



Roger Mutinta BA, ACCA
Independent Examiner
Date: 17th December 2024

Community Music
Company Limited by Guarantee
Statement of Financial Activities
For the year ended 31st March 2024

				2024	2023
		Unrestricted	Restricted		
		funds	funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	139,109	-	139,109	192,067
Charitable activities	6	105,189	49,440	154,629	370,965
Investment income	7	1,315	-	1,315	222
Other income	8	-	-	-	-
Total income		245,613	49,440	295,053	363,254
Expenditure					
Expenditure on raising funds	9	49,750	-	49,750	42,664
Expenditure on charitable activities	10	449,136	46,633	495,769	503,039
Total expenditure		498,886	46,633	545,519	545,703
Net income and net movement in funds		(253,273)	2,807	(250,466)	17,550
Total funds brought forward		666,299	97,886	764,185	746,635
Total funds carried forward		413,026	100,693	513,719	764,185

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

The notes on pages 17 to 27 form part of these financial statements

Community Music
Company Limited by Guarantee
Statement of Financial Position
31st March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	19	29,122	21,153
Current assets			
Debtors	20	58,103	181,421
Cash at bank and in hand		447,270	573,084
Total current assets		505,373	754,505
Creditors: amounts falling due within one year	21	(20,776)	(11,473)
Net current assets		484,598	743,033
Net current assets		<u>513,719</u>	<u>764,185</u>
Funds of the charity			
Restricted funds		100,693	97,886
Unrestricted funds	23	<u>413,026</u>	<u>666,299</u>
Total charity funds		<u>513,719</u>	<u>764,185</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 17th December 2024, and are signed on behalf of the board by:



H Searle
Trustee



J Prince
Trustee

Company Registration Number: 01967704

The notes on pages 17 to 27 form part of these financial statements

Community Music
Company Limited by Guarantee
Statement of Cash Flows
For the year ended 31st March 2024

Cash flows from operating activities	2024	2023
	£	£
Net income	(250,466)	17,550
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	14,543	10,576
Other interest receivable and similar income	(1,315)	(222)
<i>Changes in:</i>		
Trade and other debtors	123,318	46,915
Trade and other creditors	9,303	1,222
Cash generated from operations	(104,617)	76,042
Interest received	1,315	222
Net cash from operating activities	(103,302)	76,263
Cash flows from investing activities		
Purchase of tangible assets	(22,512)	-
Net increase in cash and cash equivalents	(125,814)	76,263
Cash and cash equivalents at beginning of year	573,084	496,821
Cash and cash equivalents at end of year	447,270	573,084

The notes on pages 17 to 27 form part of these financial statements

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

1. General information.

The charity is a public benefit entity as defined by FRS102 and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Brady Centre, 192-196 Hanbury Street, London, E1 5HU

2. Statement of compliance.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP) (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The Charity 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)

In preparing the financial statements the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items was required. After due consideration, it was concluded that no restatement of the comparatives was required.

The trustees have considered all relevant factors, including the long-term impact of COVID-19 on the charity's activities and have concluded there is no significant impact on the organisation.

It is therefore considered that the going concern status remains intact, and there are no material uncertainties about the charity's ability to continue.

Incoming resources

Voluntary income, including donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement.

Legacy income is recognised when receipt is probable, and entitlement is established.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. With the exception of Cycle Scheme Assets, the costs of minor additions or those costing below £2,500 are not capitalized

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Straight-line basis over 3 years • Office equipment & furniture
straight line basis over 2 years • Studio equipment
straight line basis over 3 years • Computers & musical equipment
straight line basis over 3 years • Cycle & computer scheme

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash generating unit to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted. Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Community Music Limited is a company limited by guarantee and accordingly does not have share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Other Donations (under £5,000)	2,144	-	2,144	2,062
Grants				
The Arts Council	136,965	-	136,965	181,577
National Foundation Youth Music	-	-	-	8,428
	139,109	-	139,109	192,067

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Accredited courses • fee income	97,500	-	97,500	351,750
Local projects & other training • grants and fees	-	49,440	49,440	7,500
Other income from charitable activities	7,689	-	7,689	11,715
	105,189	49,440	154,629	370,965

7. Investment income

	Unrestricted Funds 2024 £	Unrestricted Funds 2023 £
Bank interest receivable	1,315	222

8. Other income

	Unrestricted Funds 2024	Unrestricted Funds 2023
Equipment sales	-	-

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

	Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£	£
9. Costs – other trading activities				
Fundraising and publicity costs	49,750	-	49,750	42,664

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2023 £
Local youth music promotion	4,341	46,633	500,974	64,577
Professional training	303,409	-	303,409	285,921
Support costs	141,386	-	141,386	152,541
	449,136	46,633	495,769	503,039

11. Expenditure on charitable activities by activity type

	Direct Activities £	Support Costs £	Total funds 2024 £	Total Funds 2003 £
Local youth music promotion	50,974	20,337	71,311	92,681
Professional training	303,409	103,049	406,458	402,751
Governance costs	-	18,000	18,000	7,607
	354,383	141,386	495,769	503,039

12. Analysis of governance costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2023 £
Audit & accountancy fees	3,000	-	3,000	6,954
Legal & Professional	15,000	-	15,000	653
	18,000	-	18,000	7,607

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

13. Analysis of support costs (excluding governance costs)	Local Youth music promotion	Professional training	Total 2024	Total 2023
	£	£	£	£
Staff costs	15,127	72,104	87,231	126,206
Premises	2,944	14,035	16,979	17,535
Communications and IT	802	3,821	4,623	3,670
Human resources & Legal costs	1,246	5,940	7,186	1,444
Finance costs	31	149	180	733
Support costs: Other costs	1,246	5,941	7,187	2,952
	21,396	101,990	123,386	152,541

14. Net income

Net income is stated after charging/(crediting):	2024	2023
	£	£
Depreciation of tangible fixed assets	14,543	10,576
Operating lease rentals	1,584	1,744

15. Auditors remuneration

	2024	2023
	£	£
Fees payable for the audit of the audited financial statements	2,000	5,454
Fees for non-audit services	1,000	1,500

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	219,135	288,603
Social security costs	11,369	17,001
Employer contributions to pension plans	3,932	4,800
	234,436	310,404

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

17. Staff costs (continued)

	2024	2023
	No	No
Accredited courses	1	1
Artist development	1	1
Development, Education, Networking	1	1
Fundraising and publicity	-	1
	<u>3</u>	<u>4</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £nil (2023: £37,213).

18. Trustee remuneration and expenses

None of the trustees received any remuneration and no members received expenses during the year (2023: Nil).

No trustee expenses have been incurred during the year (2023: Nil)

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

19. Tangible Assets

Cost	Office Equipment	Studio Equipment	Computer and Musical Equipment	Cycle & Computer Scheme	Total
	£	£	£	£	£
At 1 April 2023	13,750	29,001	106,722	3,307	152,935
Additions	20,400	-	2,112	-	22,512
At 31 March 2024	34,150	29,156	108,834	3,307	175,447
Depreciation					
At 1 April 2023	12,043	29,156	87,276	3,307	131,782
Charge for the year	4,820	-	9,723	-	14,543
At 31 March 2024	16,863	29,156	96,999	3,307	146,325
At 31 March 2024	17,287	-	11,835	-	29,122
At 31 March 2023	1,707	-	19,446	-	21,153

20. Debtors

	2024	2023
	£	£
Accounts Receivable	16,188	14,624
Accrued Income	37,500	165,000
Other sundry debtors	-	1,494
Prepayments	4,416	303
	58,104	181,421

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

21. Creditors: amounts falling due within one year

2024	2023
£	£
2,414	3,884
18,000	87
230	6,622
132	880
20,776	11,473

The other creditors relate to a pension liability of £ £132 (2023: £880).

22. Pensions and other post - retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,243 (2023: £4,800).

23. Analysis of charitable funds

	At			At	At
Unrestricted funds	1 April 2023	Income	Expenditure	31 March 2024	31 March 2023
	£	£	£	£	£
General funds	666,299	245,613	(498,886)	413,026	666,302
 Restricted funds					
	At			At	At
	1 April 2023	Income	Expenditure	31 March 2024	31 March 2023
	£	£	£	£	£
Youth Music • General	88,024	49,440	(46,633)	90,831	53,587
Children in need	1,335	-	-	1,335	1,335
Youth Music • 'Can Play, Will Play'	581	-	-	581	581
Arts Council • Capital Grant	7,946	-	-	7,946	60,172
	97,886	49,440	(46,633)	100,693	115,675

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

24. Analysis of charitable funds (continued)

Purposes of Funds

BBC Children in Need (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

J A Clarke Charitable Trust (General Youth Music) – To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

BBC Children in Need (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

East End Community Fund (General Youth Music) – To support ReCharge, free sessions are run by experienced tutors in professional industry standard studios. Available to those between the ages of 12 and 25. National Foundation MTM Plus (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

Homes for Haringey (General Youth Music) – to enable young people to produce their own radio shows, podcasts and skills.

25. Analysis of net assets between funds

	Un restricted	Restricted	Total Funds 2024
	Funds	Funds	
	£	£	£
Tangible fixed assets	17,287	11,835	29,122
Current assets	416,515	88,858	505,373
Creditors less than 1 year	(20,776)	-	(20,776)
	413,026	100,693	513,719

	Unrestricted	Restricted	Total Funds 2,023
	Funds	Funds	
	£	£	£
Tangible fixed assets	1,707	19,446	21,153
Current assets	676,065	78,440	754,505
Creditors less than 1 year	(11,473)	-	(11,473)
	690,536	97,886	764,185

26. Analysis of changes in net debt

	At 1 April 2023	Cashflow	At 31 March 2024
	£	£	£
Cash at bank and in cash	573,084	(125,814)	447,270

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2024

27. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Not later than 1 year	549	1,584
Later than 1 year and not later than 5 years	-	549
	<u>549</u>	<u>2,133</u>

28. Operating lease commitments

The trustees have considered the likelihood of any significant post balance sheet events and have concluded that there are none which impact the financial statements.

29. Related parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year. There were no related party transactions during the year.

COMMUNITY MUSIC LIMITED

England & Wales - Charity number 293419

Accounts

COMMUNITY MUSIC
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023
CHARITY NUMBER: 293419
COMPANY NUMBER: 01967704

Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2023

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Statement of financial activities (including income and expenditure account)	14
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Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name	Community Music Limited
Charity registration number	293419
Company registration number	01967704
Principal office and registered office	The Brady Centre 192-196 Hanbury Street London E1 5HU
The trustees	Helen Searle Chair John Prince Eshan Haque Adrian Sykes (Joined 28 September 2022)
Chief Executive Officer	Richard Clegg
Company secretary	Richard Clegg
Independent Examiner:	Roger Mutinta
Bankers	Lloyds Bank 40 Rosslyn Hill London NW3 1NL

Community Music
Company Limited by Guarantee
Trustees Report (Incorporating the Director's Report)
For the year ended 31st March 2023

1. Structure, Governance and Management

1.1 Community Music Limited is a charitable company limited by guarantee, incorporated on 2 December 1985 and registered as a charity on 24 April 1986. The Company was established under a Memorandum of Association, which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

1.2 Methods of appointing new trustees: New trustees are appointed from time to time by the existing trustees. An annual assessment of skills gaps relating to the aims and objectives of the trust is completed by the trustees and new members identified from known professional associates to supply those skills. The term trustee/member/director is interchangeable.

1.3 Name of persons entitled to appoint trustees: trustees must be appointed by vote of a quorate meeting, first as a member of the company then as a trustee of the company and as a director.

1.4 Trustee induction: new trustees receive an induction pack and an explanatory discussion with the Chair comprising governing documents, legal and financial responsibilities, detailed financial information, programme and staffing of the company and specific briefing relating to that trustee's role on the Board. They meet with the CEO before appointment and are invited as an observer to a meeting before a decision is made for them to join the board of trustees.

1.5 The organisational structure: The Company is overseen by the trustees at a minimum of 4 meetings a year, although in practise this is usually more, and an annual budget with cash flow including salary levels and staffing changes is proposed by the CEO and approved by the Board. Major policy discussions and programme initiatives relating to that policy are discussed and approved by the Board.

1.6 Statement of relationship with other parties: Community Music has no subsidiaries. It maintains a strong relationship with other similar community music projects and funders through its working partnerships.

1.7 Statement of benefits received by trustees: none.

1.8 The Board of Trustees aims to conduct an annual audit of its skills relating to the relevant arts, education and creative industries sectors. It seeks to appoint new trustees where necessary.

2. Objectives, Activities of the charity and Strategic Report:

1. Overall Strategic Aim

- To be a leading provider of youth music opportunities in London.

2. Youth Music Opportunities

- To provide opportunities for young people to access and participate in creative music making in modern genres.

3. Professional Training

- To create structured access to professional training in music including higher education and vocational training.

4. Live Music Promotion

- To partner closely with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences.

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5. Artist and Business Support

- To support artists in their career development and creation of businesses.

6. Key Targets for 2022-23

Ensuring Continued Provision of Youth Music Opportunities in London

Primary objective is to continue providing youth music opportunities throughout London. This will empower young people to access and participate in creative music making, specifically focusing on modern genres.

Structured Pathways to Professional Training

CM is committed to offering structured access to professional training in music. This comprehensive approach encompasses both higher education and vocational training programs.

Promoting New Talent and Fostering Artist Development

To propel the careers of young musicians, in partnerships with professional promoters and festival organisers. This collaboration will enable CM to:

- **Promote New Talent:** By securing performance opportunities in successful live music contexts that guarantee audiences, championing the emergence of new talent.
- **Artist and Business Support:** CM provides artists with artistic and business support to cultivate successful careers. This dual focus on artistic development and business acumen will empower young musicians to achieve independence in the music industry.

3. Ensuring our work delivers our aims

In shaping and reviewing Community Music's aims and objectives for the year and planning their activities, the trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives set. Community Music reviews its aims, objectives and activities each year to assess the success of each key activity, and the benefits brought to those groups of people they established to help. This ensures Community Music's aims, objectives and activities remain focused on its stated purposes.

4. Achievements and performance

Arts Council NPO status 2023-2026

The Arts Council provided positive feedback on Community Music's work and application, reaffirming its status as a long-standing National Portfolio Organisation. While rising inflation and the UK government's Levelling Up program pose challenges for London-based organisations, Community Music is delighted to continue its relationship with the Arts Council. This ensures that the funding will continue to support young creatives both in London and other regions for at least a further 3 years.

The Creative Music Production and Business Degree

Community Music enjoyed a strong year in student recruitment, welcoming 71 registered students across both programme years. Additionally, over 10 students from the previous second year successfully progressed to their third year at the University of Westminster.

The organisation demonstrated its core values with increased access time, online live sessions, supplemented by a range of additional support materials:

- **Online Support:** Enhanced online resources provided ongoing learning opportunities.
- **Individualised Support:** Increased access to one-on-one support ensured student success.
- **Expanded Training:** Additional training modules were offered to enrich the curriculum.
- **Experiential Activities:** Additional experiential activities were developed ensuring students gain the necessary skills and industry experience such as Houghton Festival work experience.

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Music Leader Training Programme Online

The Music Leader Programme Online achieved a successful year in 2022-23, attracting 39 registered students across two cohorts. This engaging online platform offers a comprehensive learning experience, featuring a diverse range of multimedia elements that enhance the curriculum and create a dynamic learning environment.

Video Lectures: Clear and informative video instruction.

Audio Resources: Supportive audio materials for enhanced learning.

Text and Images: Detailed text and visuals for deeper understanding.

Downloadable Guides: In-depth PDF guides for ongoing reference.

Interactive Features: Interactive quizzes and assignment functionalities

With over 40 positive reviews and a consistently strong 4.9 out of 5 -star rating, Community Music's course Programme established itself as a valuable resource.

Mind The Music

Previously funded by the JA Clark Trust, Youth Music, Children in Need, and The East End Community Fund, Mind the Music is an ongoing initiative that Community Music currently supports with internal funds.

This project focuses on the mental health of young people participating in existing Community Music programmes, while also extending support to those referred through collaborating organisations:

CAMHS (Child and Adolescent Mental Health Services) provides vital support for young people experiencing mental health challenges.

The Coburn Centre is an inpatient adolescent mental health facility in Newham, offering specialised care for young people requiring a more structured environment.

Mind the Music offers a combination of individual and group sessions to cater to a range of needs:

- **Online 1:1 Sessions:** These personalised sessions provide tailored support for individual participants.
- **Online Group Sessions:** These sessions foster peer connection and a sense of community, allowing young people to share experiences and support one another.

In total, 36 group sessions throughout the year across three terms.

The project's positive impact has been confirmed by research. In 2022, Community Music received a comprehensive report from the University of Essex. This research evaluated the program's effectiveness over the past two years, analysing outcomes and feedback from various stakeholders:

Artist development

Despite the absence of live events during the 2022-23 season, Community Music remained committed to fostering artistic development and community engagement. The organisation successfully pivoted to a virtual platform, hosting a series of free online masterclasses.

These dynamic sessions catered to a wide range of interests, covering essential skills in:

- Music Production
- DJing
- Digital Skills
- Podcasting
- Social Media Management
- Music Business & Marketing
- Photography

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Each masterclass featured a blend of professional music tutors and industry experts, ensuring participants received valuable insights and practical guidance from established figures in their respective fields.

Create 2020

Community Music is a proud partner in the innovative Create 20x20 initiative. This collaborative effort, co-funded by the National Lottery and Homes from Haringey, fosters dynamic youth engagement. Each week, 20x20 attracts up to 15 young people, empowering them to:

Craft Their Own Voices: Develop and produce their own radio shows and podcasts, fostering creative expression and communication skills.

Master Digital Tools: Gain valuable digital skills relevant in today's world, including audio editing and production techniques.

Record Their Music: Create and record their own music, allowing them to explore musical expression and share their artistic vision.

Address Personal and Community Issues: Utilise music as a platform to tackle issues that are important to them and their peers.

The 20x20 partnership fosters a vibrant space where young people can find their voice, develop essential skills, and become active participants in shaping their community through the power of music.

ReCharge

Community Music is proud to offer ReCharge, a dynamic youth program designed to empower young creatives aged 12-24. This free initiative provides a supportive environment for participants to explore and develop their talents across a diverse range of creative disciplines:

- **Music Production:** Learn the essential skills to create and record your own music.
- **DJing:** Master the art of DJing, from beat matching and mixing to developing your own unique style.
- **Digital Skills:** Gain valuable proficiency in essential digital tools for creative expression, including audio editing and production software.
- **Podcasting:** Discover the world of podcasting, from concept development to recording and editing.
- **Social Media:** Learn how to effectively leverage social media platforms to showcase your work and connect with a wider audience.
- **Business & Marketing:** Develop the business acumen needed to navigate the creative industry, including marketing strategies and self-promotion techniques.
- **Photography:** Explore the fundamentals of photography and hone your visual storytelling skills.

ReCharge sessions take place every Tuesday evening, fostering a sense of community and collaboration among young creatives. With over 15 participants attending each week, the program provides a vibrant platform for learning, exploration, and creative growth.

Mintel and CSR

Mintel, demonstrating their ongoing commitment to youth development, has continued its valued partnership with Community Music. Through this collaboration, Mintel provides beneficial resources that directly support young people engaged in Community Music's programs, empowering them to further explore their creative potential and achieve their musical aspirations.

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Short Courses for Adults and Professional Education

Following the lifting of lockdown restrictions, Community Music seized the opportunity to re-energize young people's engagement with on-site courses. This included a series of stimulating short courses delivered directly at the facility, featuring topics such as:

Introduction to Music Technology and Production: Equipping participants with the foundational skills to create and record their own music.

Music Production and Business Masterclasses: Offering in-depth exploration of specific areas within the music industry.

Digital Marketing: Empowering young creatives to effectively navigate the digital landscape and promote their work.

Digital Delivery and Blended Learning

Throughout the 2022-2023 academic year, Community Music embraced a multifaceted approach to learning, leveraging a combination of high-quality digital delivery and blended learning models. This strategic shift not only ensured program continuity during the pandemic but also opened doors to a wider audience.

Community Music's commitment to digital learning extends beyond delivery methods. The organisation's online support resources and library have continued to expand, offering a wealth of valuable materials accessible to students anytime, anywhere.

This emphasis on digital tools serves a dual purpose:

Equipping Young People with Transferable Skills: By prioritising digital skills development, Community Music empowers young people to gain expertise relevant across diverse industries.

Bridging the Digital Divide and Skills Gap: The organisation recognizes the importance of addressing the digital divide and the growing need for digital competencies within the cultural sector. Investing in accessible digital resources ensures all participants have the opportunity to thrive in an increasingly digital world.

Partners

Community Music worked and partnered with the following:

Houghton Festival, Sound Skool, Alexandra Palace, Continental Drifts, Transform UK/TCW/London East Alternative Provision, Tower Hamlets CAMHS, Coburn Centre, Newham, New Direction for the Cultural Education Partnership, First artists Management, Pioneer, Radio 1, University of Essex, Sunway Kooth.com, Newham Mental Health services and SMART mental health charity, London Met Police, Tower Hamlets Children and Young People's Centre, Tower Hamlets Education Wellbeing Service (THEWs), East London NHS Foundation Trust, The Tavistock and Portman NHS Foundation Trust, Whitechapel Gallery, Cardboard Citizens, The Orchestra of the Age of Enlightenment & Spitalfields Music, Sound and Music, A-Team Arts, CDR, Homes for Haringey, VIP studio sessions, SMART, Music Education, THAMES, Youth Music, New Direction. Musicians Union and National Education Union, Mayer Brown, Mintell, University of Westminster and The Arts Council.

5. The public benefit of provision

5.1 All of Community Music's provision is intended to be of public benefit to a variety of people. The majority of Community Music's local youth provision is accessible to anyone aged 13-24 living or studying in Tower Hamlets and Haringey, and during the Covid-19 pandemic lockdown Community Music broadened its online session reach to the whole of the UK to support young and vulnerable people through the lockdown period.

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5.2 Community Music does not charge fees for any course or activity on the youth programme. The higher education provision is accessible by anyone aged 18 and above and is not restricted geographically. Community Music specifically targets those people who would not normally be able to access higher education, either through a lack of formal qualifications or for financial reasons and uses targeted demographic marketing to encourage local recruitment.

5.3 Community Music's higher education tuition fees are significantly lower than the standard degree cost and the FdA: Creative Music Production and Business course is fully supported by the student loans system for those who cannot afford the initial tuition cost outright. Monthly payment schemes are also available for other adult and HE programmes including the Music Leader course and Community Music works hard to ensure no one is excluded due to financial reasons where possible. The facilities are fully accessible and have wheelchair access.

6. Financial review

6.1 Financial aims of charity

- To maintain reserves to cover 6-12 months operating costs.
- To implement a sustainable fundraising strategy.

6.2 Policy on reserves

1. The Trustees of Community Music recognise their responsibility to have a transparent policy on managing the resources of the company, including financial reserves. They acknowledge this as a requirement under the Statement of Recommended Practice: Accounting and Reporting by Charities.

2. The term 'reserves' is defined as that part of the charity's funds that are freely available for general purposes. In the case of Community Music, almost all the income usually comes from a variety of grant aid and earned income. This would relate to income classified as unrestricted funds, which is available to spend on general charity purposes, once all its commitments have been met and its planned expenditure has been covered.

3. The Trustees of Community Music believe that it is generally in the interests of the charity to work towards a position of holding reserves that would cover 6-12 months operating costs. This is to ensure adequate cash flow flexibility to meet emergency measures, delayed payment of grants and unpredictable variations in expected income.

4. Community Music has increased its surplus over the past three years. This year income and surplus has increased due to the increase in students on the FDA programme, cost control and successful fundraising for equipment and youth and community projects.

6.3 Income and Turnover

The income and turnover of Community Music from 2020-2023 is:

Period / Income / Surplus / (deficit) / Total Funds

20/21/ £722,292/ £193,171/ £637,905 (restricted funds £115,675); (unrestricted funds £522,230)

21/22/ £597,198/ £108,730/ £746,635 (restricted funds £90,052); (unrestricted funds £656,583)

22/23/£510,278/£17,550/ £764,185(Restricted funds £97,886); (Unrestricted funds £666,299)

Community Music Trustees are concerned to maintain a robust business model through effective fundraising, robust cost control, protecting the CM brand's quality and keeping ahead of the sector with initiatives.

6.4 Financial Stability and Resilience

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Community Music has continued to build earned income and decrease dependence on grant aid. 85% of Community Music's income in 2022/23 is classified as unrestricted funds. Whilst remaining financially accessible for students, the Foundation Degree now generates a significant proportion of income through tuition fees and supports the delivery of the free access education programmes on offer at Community Music. Students NEEDs completing can access student finance for this programme and face no upfront costs. Community Music completes an annual risk assessment that addresses any concerns or considerations for the coming year.

Partnerships are key to CM's continued resilience and ability to thrive. Community Music has longstanding partnerships with the University of Westminster and City & Guilds, which Community Music takes care to manage well to ensure the long-term security of our HE provision.

Principal other funding sources this year :

- Arts Council of England: core costs, equipment, training and artist development
- Trusts and Foundations

Community Music remains an Arts Council National portfolio client, and their current funding stands at £136,426 per year. This essential funding allows the charity to develop their core work whilst leveraging in funding from other sources

The Arts Council percentage ratio return is around £5.60 for every £1 invested.

6.5 Trusts and Foundations

Community Music has a good track record of securing funding from trusts and foundations. Current income includes funding from the Arts Council, National Lottery Community Grant, Mintel.

6.6 Fundraising Strategy

Community Music's financial model remains one that seeks income from a variety of different sources and is not solely dependent on grant aid. Community Music's key focus is to ensure the charity continues to seek new sources of income and funding, including self-generated income, to protect itself and to ensure long-term viability.

The fundraising strategy which exploits many sources of income including:

- Funding from CSR, regular individual giving, high net worth individuals and organisations
- Other earned income from Adult Creative learning sales,
- Continuing current funding relationships with HE and other service providers
- Continuing to generate income through grant aid.

6.7 Unrestricted funding for general purposes.

Community Music is the recipient of funds from the Arts Council and was successfully awarded a three-year National Portfolio funding agreement this year, lasting until 2026. The funding is tied to a programme of specific projects and outputs and covers core costs. The Arts Council view their funding as investment rather than grant aid and are specific about the returns they wish to see. Community Music has a good relationship with the Arts Council and the Relationship Manager is working closely with Community Music to develop that relationship further.

Community Music has continued to move forward as a more resilient, self-sufficient organisation, and continue to see the development of this new model building over the coming years. Fee paying tuition is increasingly supporting the non-fee-paying delivery whilst continuing to offer low-cost access to higher education. Community Music is also building on their corporate sponsors. Community Music continues to successfully grant funds from trusts, foundations and internal surplus which allow the charity to develop work such as the Mind the Music project and Re-Charge.

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7. Risk Statement

The trustees actively review the major risks to the company on a regular basis and believe that maintaining free reserves combined with regular internal review of financial controls provides sufficient protection against unforeseen financial variations. Other operational risks are assessed annually, and effective action taken to mitigate these risks.

8. Going Concern

Although evidence suggests that the emergency is over the Trustees have been carrying out a continuous assessment of the impact of COVID-19 on the operations of the charity, and considered the risks and threats posed.

The Trustees are satisfied that to date, the threat to future operations has been minimal, and whilst working arrangements have had to be adapted, this has not significantly reduced the effectiveness of the organisation.

The Trustees are monitoring events and have a protocol in place, to provide a quick response to any changes in the operating environment, but currently do not anticipate any circumstances that significantly curtail the ability of the charity to function.

The Trustees have also considered the non-COVID-19 related circumstances and projections of the charity and are satisfied that the going concern basis is appropriate for these financial statements.

9. Volunteers

All our work is carried out by our paid team. However, CM appreciates those who have given their time voluntarily to provide pro-bono advice and support. This has enhanced and enriched CM's work. The advice and support are generally project based or relating to specific aspects. The efforts of volunteers constitute a valuable element of the charity's activities.

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Trustees' Responsibilities Statement

Directors Responsibilities

- (a) the directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.
- (b) company law requires the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit profit or loss of the charity for that period.
- (c) in preparing the financial statements the directors are required to:
 - (i) select suitable accounting policies and then apply them consistently.
 - (ii) make judgements and accounting estimates that are reasonable and prudent.
 - (iii) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - (iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- (d) the directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act.
- (e) the directors are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- (f) where appropriate, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.
In the case of CA 06 Co. s418(2) each of the persons who are directors at the time when the report is approved, the following applies:
 - (a) so far as each director is aware, there is no relevant information (information needed by the independent examiner in connection with preparing his report) of which the independent examiner is unaware; and
 - (b) each director has taken all the steps that she/he ought to have taken as a director to make himself aware of any relevant information and to establish that the independent examiner is aware of that information

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The trustees' annual report was approved on 18th June 2024 and signed on behalf of the board of trustees by:



H Searle
Chair



J Prince
Trustee

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF COMMUNITY MUSIC

I report to the trustees on my examination of the financial statements of Community Music Ltd (the Charity) for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the statement of financial position, statement of cashflows and related notes.

Responsibilities and basis of report

As the charity's trustees of Community Music Ltd (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of Community Music Ltd are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011. In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145 of the 2011 Act).

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. My work has therefore been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Independent examiner's statement

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

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS102).

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



Roger Mutinta BA
Independent Examiner
Date: 18th June 2024

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Statement of Financial Activities
For the year ended 31st March 2023

				2023	2022
		Unrestricted	Restricted		
		funds	funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	146,591	45,476	192,067	173,393
Charitable activities	6	363,465	7,500	370,965	423,441
Investment income	7	222	-	222	10
Other income	8	-	-	-	354
Total income		510,278	52,976	563,254	597,198
Expenditure					
Expenditure on raising funds: Costs of other trading activities	9	42,664	-	42,664	42,673
Expenditure on charitable activities	10	457,897	45,142	503,039	445,795
Total expenditure		500,562	45,142	545,703	488,468
Net income and net movement in funds		9,716	7,834	17,550	108,730
Total funds brought forward		656,583	90,052	746,635	746,635
Total funds carried forward		666,299	97,886	764,185	855,365

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

The notes on pages 17 to 27 form part of these financial statements

Community Music
Company Limited by Guarantee
Statement of Financial Position
31st March 2023 **Note**

		2023	2022
		£	£
Fixed assets	19	21,153	31,729
Tangible fixed assets			
Current assets			
Debtors	20	181,421	228,336
Cash at bank and in hand		573,084	496,821
		754,505	725,157
Creditors: amounts falling due within one year	21	(11,473)	(10,251)
Net current assets		743,033	714,906
Total assets less current liabilities		<u>764,185</u>	<u>746,635</u>
Funds of the charity			
Restricted funds		97,886	90,052
Unrestricted funds		<u>666,299</u>	<u>656,583</u>
	23		
Total charity funds		<u>764,185</u>	<u>746,635</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 18th June 2023, and are signed on behalf of the board by:



H Searle
Trustee



J Prince
Trustee

Company Registration Number: 01967704

The notes on pages 17 to 27 form part of these financial statements

Community Music
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Statement of Cash Flows
For the year ended 31st March 2023

Cash flows from operating activities	2023	2022
	£	£
Net income	17,550	108,730
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	10,576	15,864
Other interest receivable and similar income	(222)	(10)
<i>Changes in:</i>		
Trade and other debtors	46,915	45,601
Trade and other creditors	1,222	(36,509)
Cash generated from operations	76,042	133,676
Interest received	222	10
Net cash from operating activities	76,263	133,686
Cash flows from investing activities		
Purchase of tangible assets	-	(47,593)
Net increase in cash and cash equivalents	76,263	86,093
Cash and cash equivalents at beginning of year	496,821	410,728
Cash and cash equivalents at end of year	573,084	496,821

The notes on pages 17 to 27 form part of these financial statements

1. General information.

The charity is a public benefit entity as defined by FRS102 and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Brady Centre, 192-196 Hanbury Street, London, E1 5HU

2. Statement of compliance.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3. Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP) (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The Charity 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)

In preparing the financial statements the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items was required. After due consideration, it was concluded that no restatement of the comparatives was required.

The trustees have considered all relevant factors, including the long-term impact of COVID-19 on the charity's activities and have concluded there is no significant impact on the organisation.

It is therefore considered that the going concern status remains intact, and there are no material uncertainties about the charity's ability to continue.

Incoming resources

Voluntary income including donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised

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Notes to the Financial Statements
For the year ended 31st March 2023

as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement.

Legacy income is recognised when receipt is probable, and entitlement is established.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. With the exception of Cycle Scheme Assets the costs of minor additions or those costing below £2,500 are not capitalized

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Straight-line basis over 3 years • Office equipment & furniture
straight line basis over 2 years • Studio equipment
straight line basis over 3 years • Computers & musical equipment
straight line basis over 3 years • Cycle & computer scheme

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash generating unit to which the asset belongs. The cash generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted. Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Community Music Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

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Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2023

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2023 £
Mintel Group	-	-	-	4,000
Mayer Brown	-	-	-	5,852
Other Donations (under £5,000)	2,062	-	2,062	38
Grants				
The Arts Council	136,101	45,476	181,578	136,426
National Foundation Youth Music	8,428	-	8,428	11,417
East End Community Foundation	-	-	-	14,260
Grants of £5000 or less	-	-	-	1,400
	146,591	45,476	192,067	173,393

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Accredited courses • fee income	351,750	-	351,750	371,220
Local projects & other training • grants and fees	-	7,500	7,500	25,277
Other income from charitable activities - KickStart	11,715	-	11,715	26,944
	363,465	7,500	370,965	423,441

7. Investment income

	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Bank interest receivable	222	10

8. Other income

	Unrestricted Funds 2023	Unrestricted Funds 2022
Equipment sales	-	354

Community Music
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Notes to the Financial Statements
For the year ended 31st March 2023

			Total Funds	Total Funds
9. Costs of other trading activities	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Fundraising and publicity costs	42,664	-	42,664	42,673

10. Expenditure on charitable activities by fund type	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Local youth music promotion	-	64,577	64,577	49,134
Professional training	285,921	-	285,921	253,980
Support costs	152,541	-	152,541	142,681
	438,462	64,577	503,039	445,795

11. Expenditure on charitable activities by activity type

	Direct Activities	Support Costs	Total funds	Total fund
	£	£	2023	2022
	£	£	£	£
Local youth music promotion	64,577	28,105	92,681	57,471
Professional training	285,921	115,829	402,751	382,935
Governance costs	-	7,607	7,607	5,389
	350,498	152,541	503,039	475,786

12. Analysis of governance costs

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
Audit Fees	6,954	-	6,954	5,184
Legal & Professional	653	-	653	205
Finance Marketing Other	-	-	-	-
Total	7,607	-	7,607	5,389

Community Music
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13. Analysis of support costs (excluding governance costs)	Local Youth music promotion £	Professional training £	Total 2023 £	Total 2022 £
Staff costs	23,253	102,953	126,206	76,133
Premises	3,231	14,304	17,535	31,185
Communications and IT	676	2,994	3,670	13,548
Human resources + Legal & Professional	266	1,178	1,444	4,989
Finance costs	135	598	733	268
Support costs: Other costs	544	2,408	2,952	11,169
	28,105	124,436	152,541	137,292

14. Net income

Net income is stated after charging/(crediting):	2023	2022
Depreciation of tangible fixed assets	10,576	15,864
Operating lease rentals	1,744	1,744

15. Auditors remuneration

	2023	2022
Fees payable for the audit of the audited financial statements	5,454	2,394
Fees for non-audit services	1,500	2,790

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
Wages and salaries	288,603	294,904
Social security costs	17,001	17,514
Employer contributions to pension plans	4,800	5,508
	310,252	317,926

17. Staff costs (*continued*)

The average head count of employees during the year was 16 (2021: 17). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No	No
Accredited courses	1	1
Artist development	1	1
Development, Education, Networking	1	1
Fundraising and publicity	1	1
	<u>4</u>	<u>4</u>

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £37,212.91 (2022: £52,863).

18. Trustee remuneration and expenses

None of the trustees received any remuneration and no members received expenses during the year (2023: Nil).

No trustee expenses have been incurred during the year (2022: Nil)

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2023

19. Tangible Assets

Cost	Office Equipment	Studio Equipment	Computer and Musical Equipment	Cycle & Computer Scheme	Total
	£	£	£	£	£
At 1 April 2022	13,750	29,156	106,722	3,307	152,935
Additions	-	-	-	-	-
	-	-	-	-	-
At 31 March 2023	13,750	29,156	106,722	3,307	152,935
Depreciation					
At 1 April 2022	11,190	29,156	77,553	3307	121,206
Charge for the year	853	-	9,723	-	10,576
Disposals	-	-	-	-	-
	-	-	-	-	-
At 31 March 2023	12,043	29,156	87,276	3,307	131,782
At 31 March 2023	1,707	-	19,446	-	21,153
At 31 March 2022	2,500	-	29,169	-	31,729

20. Debtors

	2023	2022
	£	£
Accounts Receivable	14,624	204,277
Accrued Income	165,000	19,355
Debtors	1,494	51
Prepayments	303	4,653
	181,421	228,336

Community Music
Company Limited by Guarantee
Notes to the Financial Statements
For the year ended 31st March 2023

21. Creditors: amounts falling due within one year

	2023	2022
	£	£
Accounts Payable	3,884	3,455
Accruals & Def Income	87	1,133
Social security and other taxes	6,622	4,628
Other creditors	880	1,035
TOTAL	11,473	10,251

The figure of other creditors includes a pension liability of £ £880 (2022: £1,035).

22. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £4,800 (2022: £5,508).

23. Analysis of charitable funds Unrestricted funds

	At 1 April 2022	Income £	Expenditure £	At 31 March 2023 £	At 1 April 2022 £
General funds	656,586	510,278	(500,562)	666,302	522,230
Restricted funds					
	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £	At 1 April 2022 £
Youth Music • General	42,548	45,476	-	69,403	53,587
Children in need	1,335	-	-	1,335	1,335
Youth Music • 'Can Play, Will Play'	581	-	-	581	581
Arts Council • Capital Grant	45,588	7,500	(45,142)	7,946	60,172
	90,052	52,976	(45,142)	97,886	115,675

24. Analysis of charitable funds (continued)

Purposes of Funds

BBC Children in Need (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

J A Clarke Charitable Trust (General Youth Music) – To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

BBC Children in Need (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

East End Community Fund (General Youth Music) – To support Re•Charge, free sessions are run by experienced tutors in professional industry standard studios. Available to those between the ages of 12 & 25. National Foundation MTM Plus (General Youth Music) • To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

Homes for Haringey (General Youth Music) – to enable young people to produce their own radio shows, podcasts and skills.

Arts Council Capital Grant – to acquire studio equipment and resources to broaden and increase training to its users.

25. Analysis of net assets between funds

	Un restricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	1,707	19,446	21,153
Current assets	700,302	78,440	778,742
Creditors less than 1 year	(11,473)	-	(11,473)
	666,299	97,886	764,185

	Unrestricted Funds £	Restricted Funds £	Total Funds 2,022 £
Tangible fixed assets	2,500	29,169	31,669
Current assets	664,274	60,883	725,157
Creditors less than 1 year	(10,251)	0	(10,251)
	656,523	90,052	748,597

26. Analysis of changes in net debt

	At 1 April 2022	Cashflow	At 31 March 2023
Cash at bank and in cash	496,821	76,263	573,084

27. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
Not later than 1 year	1,584	1,584
Later than 1 year and not later than 5 years	0	549
	<u>1,584</u>	<u>2,133</u>

28. Post balance sheet events

The trustees have considered the likelihood of any significant post balance sheet events and have concluded that there are none which impact the financial statements.

29. Related parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year. There were no related party transactions during the year.

COMMUNITY MUSIC LIMITED

England & Wales - Charity number 293419

Accounts

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
31 March 2022

Jackson & Jackson
A trading name of Jackson Nicholas Assie Limited
Chartered Certified Accountants & Statutory Auditors
Suite 7, Meridian House
62 Station Road, Chingford
London E4 7BA

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
Year ended 31 March 2022

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Community Music Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name Community Music Limited

Charity registration number 293419

Company registration number 01967704

Principal office and registered office The Brady Centre
192-196 Hanbury Street
London
E1 5HU

The trustees

Helen Searle	Chair
John Prince	
Pauline Muir	(Resigned 14/7/2022)
Eshan Haque	

Chief Executive Officer Richard Clegg

Company secretary Richard Clegg

Auditor Jackson Nicholas Assie Limited
Chartered Certified Accountants & statutory auditor
Suite 7, Meridian House
62 Station Road
Chingford
London
E4 7BA

Bankers Lloyds Bank
40 Rosslyn Hill
London
NW3 1NL

Solicitors Harbottle and Lewis
14 Hanover Square
London
W1S 1HP

Community Music Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 March 2022

1. Structure, Governance and Management

1.1 Community Music Limited is a charitable company limited by guarantee, incorporated on 2 December 1985 and registered as a charity on 24 April 1986. The Company was established under a Memorandum of Association, which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

1.2 Methods of appointing new trustees: New trustees are appointed from time to time by the existing trustees. An annual assessment of skills gaps relating to the aims and objectives of the trust is completed by the trustees and new members identified from known professional associates to supply those skills.

1.3 Name of persons entitled to appoint trustees: trustees must be appointed by vote of a quorate meeting, first as a member of the company then as a trustee of the company.

1.4 Trustee induction: new trustees receive an induction pack and session from the Managing Director comprising governing documents, legal and financial responsibilities, detailed financial information, programme and staffing of the company and specific briefing relating to that trustee's role on the Board. They meet with the Chair before appointment and are invited as an observer to one meeting before a decision is made for them to join the board of trustees.

1.5 The organisational structure: The Company is overseen by the trustees at a minimum of 4 meetings a year, although in practice this is usually more, and an annual budget with cash flow including salary levels and staffing changes is proposed by the CEO and approved by the Board. Major policy discussions and programme initiatives relating to that policy are discussed and approved by the Board.

1.6 Statement of relationship with other parties: Community Music has no subsidiaries. It maintains a strong relationship with other similar community music projects and funders through its working partnerships.

1.7 Statement of benefits received by trustees: none

1.8 The Board of Trustees aims to conduct an annual audit of its skills relating to the relevant arts, education and creative industries sectors. It seeks to appoint new trustees where necessary.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

2. Objectives, Activities of the charity and Strategic Report:

1. Overall Strategic Aim

- To be a leading provider of youth music opportunities in London.

2. Youth Music Opportunities

- To provide opportunities for young people to access and participate in creative music making in modern genres.

3. Professional Training

- To create structured access to professional training in music including higher education and vocational training.

4. Live Music Promotion

- To partner closely with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences.

5. Artist and Business Support

- To support artists in their career development and creation of businesses.

6. Key Targets for 2021-23

To continue provision of youth music opportunities in London and provide opportunities to young people to access and participate in creative music making in modern genres. To proceed with structured access to professional training in music including higher education and vocational training while partnering with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences, whilst providing artist and business support creating independence in their careers.

3. Ensuring our work delivers our aims

In shaping and reviewing Community Music's aims and objectives for the year and planning their activities, the trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Community Music reviews their aims, objectives and activities each year to assess the success of each key activity, and the benefits they have brought to those groups of people they are set up to help. This ensures Community Music's aims, objectives and activities remain focused on their stated purposes.

CM will expand and consolidate its youth and community programme and continue its professional training and artist development pathways including higher education and vocational training. The programmes will be on a blended basis or online if necessary. The programmes will have various objectives and outputs including employment training and creation, crime prevention and enhanced wellbeing. Community Music is fully committed to incorporating and embedding the Arts Council Investment Principles in its planning and programme in order to further develop the business as a dynamic and forward-facing enterprise.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

4. Achievements and performance

Arts Council Annual Survey 2021-2022

The Arts Council provided Community Music with positive feedback and commented that the organisation has the lowest 'Minor Risk level status'.

The new fourth studio has ensured Community Music can accommodate young people's numbers and the frequency of delivery on both the degree and other music & digital provision.

The Creative Music Production and Business Degree

Community Music had a stable year of recruitment which provided a total of 64 students across 2 years.

21 students from the 2nd year are currently interested in sitting a 3rd year at University of Westminster. During the Covid-19 UK lockdown delivery CM managed a blended learning approach, classroom sessions took place when UK Government regulations allowed and education was transitioned to online live delivery with additional online support materials and additional 121 support. Once lockdown was lifted CM offered increased training and extra experiential activity for students to ensure students received the skills and experiences required for the music industry.

Over 1500 minutes of online music production videos were created to support our users and students which bolstered classroom learning.

To combat barriers to learning due to home resources CM continued to provide a resource loan system so students were able to benefit and receive all the lockdown training provided by CM which proved to be very successful.

Nia Archives NME producer of the year 2022

In March 2022 former CM degree student Nia Archives wins Best Producer Supported By BandLab at the BandLab NME Awards 2022. Nia Archives was a student on The Creative Music Production and Business Degree.

Music Leader Training Programme Online

The Music Leader Programme Online platform provides engaging tuition through video, audio, text, images, PDF download guides and other functions such as quizzes and assignment facilities. In 2021-22 the online course was delivered twice over 10 weeks with over 60 students across 2 cohorts. The course has had over 40 reviews and maintains a 5-star rating. The course was not affected by the lockdown due to all lessons, assignments and micoteach assessments taking place online.

Mind The Music Plus

Mind the Music plus is funded by Youth Music and City Bridge London Funders to support the mental health of young people on existing Community Music projects, young people who have felt isolated during the Covid-19 lockdown and those referred to us through CAMHS and the Coburn in-patient Centre for adolescent mental health in Tower Hamlets and Newham. It offers one to one and small group tuition and is adaptable to the needs of those accessing this service.

Community Music continues to reduce the barriers of learning by using cloud-based music production software, specifically VIP studios by Charanga and SoundTrap by Spotify when working online and in face-to-face settings alongside more advanced software such as Logic Pro X. During 2021-22 sessions took place online and in person with one to one and group sessions. On average each week Community Music worked with 15-20 young people who have mental health challenges.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

During the lockdown period and after, more young people from other referrals came forward including young people already working with Community Music and through marketing channels of the project. In 2022 Community Music built partnerships with Look Ahead through Mind The Music Plus. Look Ahead delivers mental health, learning disabilities, homelessness and young people services to over 6,000 people each year. The majority of their customers come to them through the local authorities and borough referrals.

In August 2021 Community Music received its report from University of Essex who researched the outcomes and evaluations of the participants referred from CAMHS, NHS, staff, 121 sessions and tutors involved in Mind The Music over the last 24 months.

The report has been used to reflect on the impact it has on young people and stakeholders involved with Mind The Music. The report is available to download and has assisted with networking and partnership opportunities.

Artist development

Community Music hosted several free in person and online masterclass sessions covering music production, DJing, digital skills, podcasting, social media, business & marketing, and photography. The masterclasses were a blend of professional tutors and professional industry experts. There was a particular focus on social media channels such as TikTok.

Houghton Festival

Houghton festival partnered with Community Music and together produced 8 workshops online. The plan was for the CM users and students to complete the training and then work on site at the festival to help set up and support the festival's organisers and staff through job roles such as stage management, technical, artist liaison, photography, videography and more. Over 20 young people took part, unfortunately due to Covid-19 the festival could not go ahead. However, the festival and project will continue in 2022.

Tiktok.com/@CMsounds.com

Community Music's TikTok channel launched late March 2022 and is currently growing with nearly 12,000 followers. The channel shares musical content, advice and other relevant TikTok content.

Create 2020

Create 2020 restarted once lockdown restrictions had been lifted, the project is run in partnership with Homes from Haringey, Haringay council and Youth Music. Twice weekly sessions take place at the centre on Northumberland Park Estate's Project 2020 centre.

The sessions host up to 30 young people each week enabling them to produce their own radio shows, podcasts, digital skills, record their own music and address issues surrounding them through music. The centre also provides other support such as homework clubs, food banks and other support that assists young people of the estate with day-to-day circumstances.

ReCharge

ReCharge provides free training for 12–24-year-olds and offers training in music production, DJing, digital skills, podcasting, social media, business & marketing and photography. The project has been supported by Westfield East Bank Creative Futures Fund and Community Music's own investment. The project has had over 300 sign ups and hosts up to 15 young people per week at the centre.

Mayer Brown, Mintel and CSR

Mayer Brown and Mintel continued their relationship with Community Music and both organisations selected Community Music as charity of the year and unrestricted funds donated to Community Music.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Short Courses for Adults and Professional Education

In 2021-22 Community Music developed two online courses in Logic Pro X and Ableton. Classroom courses were developed such as Introduction to Ableton, Live Sound and digital marketing. Further courses are being developed to enhance professional skills which are low cost with instalment payment options to ensure adults have access to skill enhancement in music and digital skills.

Digital Delivery and Blended Learning

Over 2021-2022 Community Music used a combination of digital delivery and in parts blended learning. Over this period Community Music's static online support and resource library has grown to over 2000 minutes of online support videos. The aim is to provide further transferable skills and work placement opportunities, address the digital divide and the growing skills gap in digital skills in the cultural sector.

Partners

Lockdown made it particularly difficult to maintain planned projects and partnerships and in this financial year Community Music were aiming to work and continue work in 2021-2022 with: Houghton Festival, Sound Skool, Alexandra Palace, Continental Drifts, Transform UK/TCW/London East Alternative Provision, Tower Hamlets CAMHS, Coburn Centre, Newham, New Direction for the Cultural Education Partnership, First artists Management, Pioneer, Radio 1, University of Essex, Sunway University Malaysia, Kooth.com, Newham Mental Health services and SMART mental health charity, London Met Police, Tower Hamlets Children and Young People's Centre, Tower Hamlets Education Wellbeing Service (THEWs), East London NHS Foundation Trust, The Tavistock and Portman NHS Foundation Trust, Whitechapel Gallery, Cardboard Citizens, The Orchestra of the Age of Enlightenment & Spitalfields Music, Sound and Music, A-Team Arts, CDR, PyroRadio, Homes for Haringay, VIP studio sessions, SMART, Music Education, THAMES, Youth Music, New Direction. Musicians Union and National Education Union, Mayer Brown, Mintell, University of Westminster and The Arts Council.

5. The public benefit of provision

5.1 All of Community Music's provision is intended to be of public benefit to a variety of people. The majority of Community Music's local youth provision is accessible to anyone aged 13-25 living or studying in Tower Hamlets and Haringey, and during the Covid-19 pandemic lockdown Community Music broadened it's online session reach to the whole of the UK to support young and vulnerable people through the lockdown

5.2 Community Music does not charge fees for any course or activity on the youth programme. The higher education provision is accessible by anyone aged 18 and above and is not restricted geographically. Community Music specifically targets those people who would not normally be able to access higher education, either through a lack of formal qualifications or for financial reasons and uses targeted demographic marketing to encourage local recruitment.

5.3 Community Music's higher education tuition fees are significantly lower than the standard degree cost and the FdA: Creative Music Production and Business course is fully supported by the student loans system for those who cannot afford the initial tuition cost outright. Monthly payment schemes are also available for other adult, and HE programmes including the Music Leader course and Community Music works hard to ensure no one is excluded due to financial reasons where possible. The facilities are fully accessible and have full wheelchair access.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

6. Financial review

6.1 Financial aims of charity

- To maintain reserves to cover 6-12 months operating costs.
- To implement a sustainable fundraising strategy.

6.2 Policy on reserves

1. The Trustees of Community Music recognise their responsibility to have a transparent policy on managing the resources of the company, including financial reserves. They acknowledge this as a requirement under the Statement of Recommended Practice: Accounting and Reporting by Charities.

2. The term 'reserves' is defined as that part of the charity's funds that are freely available for general purposes. In the case of Community Music, almost all of the income usually comes from a variety of grant aid and earned income. This would relate to income classified as unrestricted funds, which is available to spend on general charity purposes, once all its commitments have been met and its planned expenditure has been covered.

3. The Trustees of Community Music believe that it is generally in the interests of the charity to work towards a position of holding reserves that would cover 6-12 months operating costs. This is to ensure adequate cash flow flexibility to meet emergency measures, delayed payment of grants and unpredictable variations in expected income.

4. Community Music has increased its surplus over the past three years. This year our income has decreased, and surplus has increased due to cost control and successful fundraising for equipment and youth and community projects.

6.3 Income and Turnover

The income and turnover of Community Music from 2019-2022 is:

Period / Income / Surplus / (deficit) Total Funds

19/20 £768,390 £55,215 £444,734 (restricted funds £33,041)/ (unrestricted funds £411,693)

20/21 £722,292 £193,171 £637,905 (restricted funds £115,675)/ (unrestricted funds £522,230)

21/22 £597,198 £108,730 £746,635 (restricted funds £90,052)/ (unrestricted funds £656,583)

Community Music Trustees are concerned to maintain a robust business model through effective fundraising, tight cost control, protecting the brand quality and keeping ahead of the sector with initiatives. Community Music's unrestricted funds surpluses on annual performance have steadily increased in 2021-2022.

6.4 Financial Stability and Resilience

This year Community Music has continued to build earned income and decrease dependence on grant aid. 63% of Community Music's income in 2020/21 is classified as unrestricted funds. Whilst remaining financially accessible for students, the Foundation Degree now generates a significant proportion of our income through tuition fees and supports the delivery of the free access education programmes on offer at Community Music. Students NEEDs completing can access student finance for this programme and face no upfront costs. Community Music completes an annual risk assessment that addresses any concerns or considerations for the coming year.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Partnerships are key to their continued resilience and ability to thrive. Community Music has longstanding partnerships with the University of Westminster and City & Guilds, which Community Music takes care to manage well to ensure the long-term security of our HE provision.

Principal other funding sources this year were:

- Arts Council of England: core costs, equipment, training and artist development
- Trusts and Foundations

Community Music remains an Arts Council National portfolio client, and their current funding stands at £136,426 per year. This essential funding allows the charity to develop their core work whilst leveraging in funding from other sources.

The Arts Council percentage ratio return is around £4.50 for every £1 invested.

6.5 Trusts and Foundations

Community Music has a good track record of securing funding from trusts and foundations. Current income includes funding from the JA Clark Trust, Children in Need & Youth Music who have funded Community Music for the past few years to deliver work with local youth and NEET organisations and now the Mind the Music programme, a major initiative supporting young people through music with mental health issues.

6.6 Fundraising Strategy

Community Music's financial model remains one that seeks income from a variety of different sources and is not solely dependent on grant aid. Community Music's key focus is to ensure the charity continues to seek new sources of income and funding, including self-generated income, in order to protect itself and to ensure long-term viability.

The fundraising strategy which exploits many sources of income including:

- Funding from CSR, regular individual giving, high net worth individuals and organisations
- Other earned income from Adult Creative learning sales,
- Continuing current funding relationships with HE and other service providers
- Continuing to generate income through grant aid.

6.7 Unrestricted funding for general purposes.

Community Music is the recipient of funds from the Arts Council and was successfully awarded a four-year National Portfolio funding agreement and last year extended until 2023 due to the Covid-19 pandemic. The funding is tied to a programme of specific projects and outputs and covers core costs. The Arts Council view their funding as investment rather than grant aid and are specific about the returns they wish to see. Community Music has a good relationship with the Arts Council and the Relationship Manager is working closely with Community Music to develop that relationship further. Community Music has continued to move forward as a more resilient, self-sufficient organisation, and continue to see the development of this new model building over the coming years. Fee paying tuition is increasingly supporting the non-fee-paying delivery whilst continuing to offer low-cost access to higher education. Community Music is also building on their corporate sponsors. Community Music continues to successfully grant funds from trusts and foundations, which allow the charity to develop new work such as the Mind the Music project.

7. Risk Statement

The trustees actively review the major risks to the company on a regular basis and believe that maintaining free reserves combined with internal review of financial controls provides sufficient protection against unforeseen financial variations. Other operational risks are assessed annually and effective action taken to mitigate these risks.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

8. COVID-19 Crisis

Covid-19 lockdown in the UK officially began on March 23rd 2020 and ended on the 19th July 2021, forcing Community Music to adjust how it operates due to the building closing and operating under UK Government Covid-19 working and education regulations. Community Music followed daily UK Government guidelines and updates relating to COVID-19 regulation guidelines. An emergency strategy and process was followed, this included financial planning, emergency forecasting, operational planning and delivery, safeguarding including young people, staff and trustees. Continuing risk assessments were and are conducted to meet changing COVID-19 national and local regulations. Fundraising was achieved to ensure youth projects continued. Regular meetings and communication relating to daily operations at the charity and check in with trustees are carried out.

9. Going Concern (COVID-19)

The Trustees have been carrying out a continuous assessment of the impact of COVID-19 on the operations of the charity, and considered the risks and threats posed.

The Trustees are satisfied that to date, the threat to operations has been minimal, and whilst working arrangements have had to be adapted, this has not significantly reduced the effectiveness of the organisation.

The Trustees are monitoring events in the country, and have a protocol in place, to provide a quick response to any changes in the operating environment, but currently do not anticipate any circumstances that significantly curtail the ability of the charity to function.

The Trustees have also considered the non-COVID-19 related circumstances and projections of the charity and are satisfied that the going concern basis is appropriate for these financial statements.

10. Volunteers

All of our work is carried out by our paid team. However, we should like to thank those who have given their time voluntarily to provide pro-bono advice and support to us during this period. This has enhanced and enriched our work. The advice and support is generally project based or relating to specific aspects of our work. The efforts of volunteers constitute a valuable element of the charity's activities.

11. Plans for the future

CM will continue to review its financial position through careful cost control, management agility and a varied and energetic fundraising strategy. It increased its unrestricted reserves and will continue developing new income-generating concepts including a programme of online courses, portfolio digital skills training for artists from basic to higher education level and international collaborations.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 27 to the financial statements.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

Trustees' responsibilities statement

Directors Responsibilities

- (a) the directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice;
- (b) company law requires the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit profit or loss of the charity for that period;
- (c) in preparing the financial statements the directors are required to:
 - (i) select suitable accounting policies and then apply them consistently;
 - (ii) make judgements and accounting estimates that are reasonable and prudent;
 - (iii) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - (iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- (d) the directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act;
- (e) the directors are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- (f) where appropriate, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

In the case of CA 06 Co.-s418(2) each of the persons who are directors at the time when the report is approved, the following applies:

(a) so far as each director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

(b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Community Music Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 March 2022

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 30 November 2022 and signed on behalf of the board of trustees by:

H Searle
Chair



J Prince
Trustee



Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

Year ended 31 March 2022

Opinion

We have audited the financial statements of Community Music Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cashflows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the audited financial statements:

- give a true and fair view of the state of the charity's affairs as of 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom accounting standards, including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements relating to the audit of the financial statements in the UK, including the Financial Reporting Standards (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.

In common with many other charities of this size and nature the auditors are used to assist with the preparation of the financial statements.

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 preparation of the financial statements is appropriate.

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

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

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited *(continued)*

Year ended 31 March 2022

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditors report thereon. The trustees are responsible for the other information contained within the trustees' report. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements. 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 (incorporating the Directors' Report) for the financial year for which the audited financial statements are prepared is consistent with the audited financial statements; and
- the Directors' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the audited 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 audited financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited (continued)

Year ended 31 March 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework 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 audited financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the audited financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the audited financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited financial statements, including the disclosures, and whether the audited financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

(continued)

Year ended 31 March 2022

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 considered the nature of the charity's industry and its control environment and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and others within the entity about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act, Charities Act, Charities (Accounts and Reports) Regulations 2008, Health and Safety Act, employment law, pensions legislation, tax legislation, Bribery Act and Slavery Act; and

- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, fundraising regulations and Anti-Money Laundering Regulations (including Proceeds of Crime Act 2002 and Terrorism Act 2000)

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Recognition of grant income: this involves judgement around whether grants have performance conditions attached to them which have to be met before income can be recognised, as well as judgement over whether or not those conditions have been satisfied. On a sample basis, we have assessed the judgements and estimates made by management in the recognition of this income.

- Appropriate allocation of restricted income: there is a risk that restricted income may not have been identified and allocated as such. We reviewed the allocation of income to restricted or unrestricted funds on initial recognition to ensure restrictions were appropriately identified and applied, and we reviewed fund transfers from restricted to unrestricted funds to assess the rationale for those movements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

(continued)

Year ended 31 March 2022

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal management reports, reviewing correspondence with HMRC and with the Charity Commission.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed

John Assie FCCA (Senior Statutory Auditor)

for and on behalf of

Jackson Nicholas Assie Limited

Chartered Certified Accountants and Statutory Auditors

Suite 7, Meridian House

62 Station Road

Chingford

London E4 7BA

1 December 2022

Community Music Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	146,316	27,077	173,393	281,340
Charitable activities	6	404,086	19,355	423,441	440,929
Investment income	7	10	–	10	23
Other income	8	354	–	354	–
Total income		<u>550,766</u>	<u>46,432</u>	<u>597,198</u>	<u>722,292</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	42,673	–	42,673	53,335
Expenditure on charitable activities	10,11	373,740	72,055	445,795	475,786
Total expenditure		<u>416,413</u>	<u>72,055</u>	<u>488,468</u>	<u>529,121</u>
Net income and net movement in funds		<u>134,353</u>	<u>(25,623)</u>	<u>108,730</u>	<u>193,171</u>
Reconciliation of funds					
Total funds brought forward		522,230	115,675	637,905	444,734
Total funds carried forward		<u>656,583</u>	<u>90,052</u>	<u>746,635</u>	<u>637,905</u>

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

The notes on pages 20 to 31 form part of these financial statements.

Community Music Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2022

	Note	2022 £	£	2021 £
Fixed assets				
Tangible fixed assets	19		31,729	—
Current assets				
Debtors	20	228,336		273,937
Cash at bank and in hand		496,821		410,728
		<u>725,157</u>		<u>684,665</u>
Creditors: amounts falling due within one year	21	<u>(10,251)</u>		<u>(46,760)</u>
Net current assets			<u>714,906</u>	<u>637,905</u>
Total assets less current liabilities			<u>746,635</u>	<u>637,905</u>
Net assets			<u>746,635</u>	<u>637,905</u>
Funds of the charity				
Restricted funds			90,052	115,675
Unrestricted funds			<u>656,583</u>	<u>522,230</u>
Total charity funds	23		<u>746,635</u>	<u>637,905</u>

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

These audited financial statements were approved by the board of trustees and authorised for issue on 30 November 2022, and are signed on behalf of the board by:

H Searle
Trustee



J Prince
Trustee



Company Registration Number: 01967704

The notes on pages 20 to 31 form part of these financial statements.

Community Music Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income	108,730	193,171
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	15,864	—
Other interest receivable and similar income	(10)	(23)
<i>Changes in:</i>		
Trade and other debtors	45,601	28,248
Trade and other creditors	(36,509)	(21,973)
Cash generated from operations	133,676	199,423
Interest received	10	23
Net cash from operating activities	133,686	199,446
Cash flows from investing activities		
Purchase of tangible assets	(47,593)	—
Net increase in cash and cash equivalents	86,093	199,446
Cash and cash equivalents at beginning of year	410,728	211,282
Cash and cash equivalents at end of year	496,821	410,728

Community Music Limited
Company Limited by Guarantee
Notes to the Audited Financial Statements
Year ended 31 March 2022

1. General information

The charity is a public benefit entity as defined by FRS102 and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Brady Centre, 192-196 Hanbury Street, London, E1 5HU.

2. Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3. Accounting policies

Basis of preparation

The audited financial statements have been prepared on the historical cost basis.

The audited financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have considered all relevant factors, including the long-term impact of COVID-19 on the charity's activities and have concluded there is no significant impact on the Organisation.

It is therefore considered that the going concern status remains intact and there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There have not been any judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies. There are no other judgements nor other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the life of the lease.

Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. With the exception of Cycle Scheme Assets the costs of minor additions or those costing below £2,500 are not capitalised.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

straight line basis over 3 years	-	Office equipment & furniture
straight line basis over 2 years	-	Studio equipment
straight line basis over 3 years	-	Computers & musical equipment
straight line basis over 3 years	-	Cycle & computer scheme assets

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

4. Limited by guarantee

Community Music Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Mintel Group	4,000	—	4,000
Mayer Brown	5,852	—	5,852
Donations under £5000	38	—	38
Grants			
The Arts Council	136,426	—	136,426
The Arts Council Capital Grant	—	—	—
BBC Children in Need	—	—	—
Covid-19 Grant Re:Charge	—	—	—
National Foundation Youth Music	—	11,417	11,417
J. A. Clark Charitable Trust	—	—	—
East End Community Foundation	—	14,260	14,260
Furlough Income	—	—	—
Grants of £5000 or less	—	1,400	1,400
	<u>146,316</u>	<u>27,077</u>	<u>173,393</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Mintel Group	—	—	—
Mayer Brown	4,431	—	4,431
Donations under £5000	80	—	80
Grants			
The Arts Council	136,426	—	136,426
The Arts Council Capital Grant	—	60,172	60,172
BBC Children in Need	—	6,440	6,440
Covid-19 Grant Re:Charge	5,600	—	5,600
National Foundation Youth Music	8,400	—	8,400
J. A. Clark Charitable Trust	—	10,000	10,000
East End Community Foundation	—	—	—
Furlough Income	44,674	—	44,674
Grants of £5000 or less	—	5,117	5,117
	<u>199,611</u>	<u>81,729</u>	<u>281,340</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Accredited courses - fee income	371,220	–	371,220
Local projects & other training - grants and fees	5,922	19,355	25,277
Other income from charitable activities - KickStart	26,944	–	26,944
	<u>404,086</u>	<u>19,355</u>	<u>423,441</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Accredited courses - fee income	392,410	–	392,410
Local projects & other training - grants and fees	1,415	27,265	28,680
Other income from charitable activities	452	19,387	19,839
	<u>394,277</u>	<u>46,652</u>	<u>440,929</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>10</u>	<u>10</u>	<u>23</u>	<u>23</u>

8. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Equipment sales	<u>354</u>	<u>354</u>	<u>–</u>	<u>–</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Fundraising and publicity costs	<u>42,673</u>	<u>42,673</u>	<u>53,335</u>	<u>53,335</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Live music promotion and Artist and business support	–	–	–
Local youth music promotion	–	49,134	49,134
Professional training	239,396	14,584	253,980
Support costs	134,344	8,337	142,681
	<u>373,740</u>	<u>72,055</u>	<u>445,795</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Live music promotion and Artist and business support	1,519	–	1,519
Local youth music promotion	33,004	32,276	65,280
Professional training	266,852	–	266,852
Support costs	128,664	13,471	142,135
	<u>430,039</u>	<u>45,747</u>	<u>475,786</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Live music promotion and Artist and business support	–	–	–	4,213
Local youth music promotion	49,134	8,337	57,471	84,140
Professional training	253,980	128,955	382,935	370,578
Governance costs	–	5,389	5,389	16,855
	<u>303,114</u>	<u>142,681</u>	<u>445,795</u>	<u>475,786</u>

12. Analysis of governance costs

	2022 £	2021 £
Audit Fees	5,184	13,594
Trustees Meetings	–	567
Staff	–	1,667
Premises	–	399
Communications	–	341
Legal & Professional	205	–
Finance	–	2
Marketing	–	–
Other	–	285
Total	<u>5,389</u>	<u>16,855</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

13. Analysis of support costs (excluding governance costs)

	Local youth music promotion £	Professional training £	Total 2022 £	Total 2021 £
Staff costs	3,509	72,624	76,133	77,514
Premises	2,481	28,704	31,185	18,547
Communications and IT	1,078	12,470	13,548	15,837
Human resources + Legal & Professional	396	4,593	4,989	12
Finance costs	22	246	268	101
Support costs: Other costs	851	10,318	11,169	13,269
	<u>8,337</u>	<u>128,955</u>	<u>137,292</u>	<u>125,280</u>

The basis of allocation of support costs to activities is as follows:

- Staff costs (including related pension costs): Staff time spent on each activity
- Other costs: Usage

14. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	15,864	–
Operating lease rentals	1,744	1,744

15. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the audited financial statements	2,394	3,399
Fees for non-audit services	2,790	10,195

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022 £	2021 £
Wages and salaries	294,904	333,324
Social security costs	17,514	24,120
Employer contributions to pension plans	5,508	6,563
	<u>317,926</u>	<u>364,007</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

16. Staff costs *(continued)*

The average head count of employees during the year was 17 (2021: 16). The average number of full-time equivalent employees during the year is analysed as follows:

	2022 No.	2021 No.
Accredited courses	1	2
Artist development	1	1
Development, Education, Networking	1	2
Fundraising and publicity	1	1
	<u>4</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £52,863 (2021: £52,581).

17. Trustee remuneration and expenses

None of the trustees received any remuneration and no members received expenses during the year (2021: Nil).

No trustee expenses have been incurred during the year (2021: Nil)

18. Transfers between funds

Transfers from unrestricted funds to restricted funds are to make good funding shortfalls and eliminate negative fund balances.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

19. Tangible fixed assets

	Office equipment & furniture £	Studio Equipment £	Computers & musical equipment £	Cycle & Computer Scheme Assets £	Total £
Cost					
At 1 April 2021	9,910	29,156	62,969	3,307	105,342
Additions	3,840	–	43,753	–	47,593
At 31 March 2022	13,750	29,156	106,722	3,307	152,935
Depreciation					
At 1 April 2021	9,910	29,156	62,969	3,307	105,342
Charge for the year	1,280	–	14,584	–	15,864
At 31 March 2022	11,190	29,156	77,553	3,307	121,206
Carrying amount					
At 31 March 2022	2,560	–	29,169	–	31,729
At 31 March 2021	–	–	–	–	–

20. Debtors

	2022 £	2021 £
Trade debtors	204,277	39,611
Prepayments	4,653	3,585
Accrued income	19,355	230,690
Other debtors	51	51
	228,336	273,937

21. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,455	5,527
Accruals and deferred income	1,133	1,133
Social security and other taxes	4,628	7,440
Other creditors	1,035	32,660
	10,251	46,760

The figure of other creditors includes a pension liability of £ £1,035 (2021: £1,260). There is no other pension liability other than those disclosed above.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

22. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,508 (2021: £6,563).

23. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
General funds	522,230	550,766	(416,413)	656,583

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	411,693	593,911	(483,374)	522,230

Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Youth Music - General	53,587	46,432	(57,471)	42,548
Children in need	1,335	—	—	1,335
Youth Music - 'Can Play, Will Play'	581	—	—	581
Arts Council - Capital Grant	60,172	—	(14,584)	45,588
	115,675	46,432	(72,055)	90,052

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Youth Music - General	31,125	68,209	(45,747)	53,587
Children in need	1,335	—	—	1,335
Youth Music - 'Can Play, Will Play'	581	—	—	581
Arts Council - Capital Grant	—	60,172	—	60,172
	33,041	128,381	(45,747)	115,675

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

23. Analysis of charitable funds *(continued)*

Purposes of Funds

BBC Children in Need (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

J A Clarke Charitable Trust (General Youth Music) – To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

BBC Children in Need (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

East End Community Fund (General Youth Music) – To support Re-Charge, free sessions are run by experienced tutors in professional industry standard studios. Available to those between the ages of 12 and 25.

National Foundation MTM Plus (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

Homes for Haringey (General Youth Music) – to enable young people to produce their own radio shows, podcasts and skills.

Arts Council Capital Grant – to acquire studio equipment and resources to broaden and increase training to its users.

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	2,560	29,169	31,729
Current assets	664,274	60,883	725,157
Creditors less than 1 year	(10,251)	—	(10,251)
Net assets	656,583	90,052	746,635

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	—	—	—
Current assets	568,990	115,675	684,665
Creditors less than 1 year	(46,760)	—	(46,760)
Net assets	522,230	115,675	637,905

25. Analysis of changes in net debt

	At 1 Apr 2021 £	Cash flows £	At 31 Mar 2022 £
Cash at bank and in hand	410,728	86,093	496,821

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2022

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	1,584	1,584
Later than 1 year and not later than 5 years	549	2,293
	<u>2,133</u>	<u>3,877</u>

27. Post balance sheet events

The trustees have considered the likelihood of any significant post balance sheet events including the long-term impact of COVID-19 and have concluded that there are none which impact the financial statements.

28. Related parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year. There were no related party transactions during the year.

COMMUNITY MUSIC LIMITED

England & Wales - Charity number 293419

Accounts

COMPANY REGISTRATION NUMBER: 01967704
CHARITY REGISTRATION NUMBER: 293419

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
31 March 2021

Jackson & Jackson
A trading name of Jackson Nicholas Assie Limited
Chartered Certified Accountants & Statutory Auditors
Suite 7, Meridian House
62 Station Road, Chingford
London E4 7BA

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
Year ended 31 March 2021

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Community Music Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name Community Music Limited

Charity registration number 293419

Company registration number 01967704

Principal office and registered office The Brady Centre
192-196 Hanbury Street
London
E1 5HU

The trustees

Helen Searle
John Prince
Pauline Muir
Eshan Haque

Chief Executive Officer Richard Clegg

Company secretary Richard Clegg

Auditor Jackson Nicholas Assie Limited
Chartered Certified Accountants & statutory auditor
Suite 7, Meridian House
62 Station Road
Chingford
London
E4 7BA

Bankers Lloyds Bank
40 Rossllyn Hill
London
NW3 1NL

Solicitors Harbottle and Lewis
14 Hanover Square
London
W1S 1HP

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

1. Structure, Governance and Management

1.1 Community Music Limited is a charitable company limited by guarantee, incorporated on 2 December 1985 and registered as a charity on 24 April 1986. The Company was established under a Memorandum of Association, which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

1.2 Methods of appointing new trustees: New trustees are appointed from time to time by the existing trustees. An annual assessment of skills gaps relating to the aims and objectives of the trust is completed by the trustees and new members identified from known professional associates to supply those skills.

1.3 Name of persons entitled to appoint trustees: trustees must be appointed by vote of a quorate meeting, first as a member of the company then as a trustee of the company.

1.4 Trustee induction: new trustees receive an induction pack and session from the Managing Director comprising governing documents, legal and financial responsibilities, detailed financial information, programme and staffing of the company and specific briefing relating to that trustee's role on the Board. They meet with the Chair before appointment and are invited as an observer to one meeting before a decision is made for them to join the board of trustees.

1.5 The organisational structure: The Company is overseen by the trustees at a minimum of 4 meetings a year, although in practise this is usually more, and an annual budget with cash flow including salary levels and staffing changes is proposed by the CEO and approved by the Board. Major policy discussions and programme initiatives relating to that policy are discussed and approved by the Board.

1.6 Statement of relationship with other parties: Community Music has no subsidiaries. It maintains a strong relationship with other similar community music projects and funders through its working partnerships.

1.7 Statement of benefits received by trustees: none

1.8 The Board of Trustees aims to conduct an annual audit of its skills relating to the relevant arts, education and creative industries sectors. It seeks to appoint new trustees where necessary.

2. Objectives, Activities of the charity and Strategic Report:

1. Overall Strategic Aim

- To be a leading provider of youth music opportunities in London.

2. Youth Music Opportunities

- To provide opportunities for young people to access and participate in creative music making in modern genres.

3. Professional Training

- To create structured access to professional training in music including higher education and vocational training.

4. Live Music Promotion

- To partner closely with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

5. Artist and Business Support

- To support artists in their career development and creation of businesses.

6. Key Targets for 2020-22

To continue provision of youth music opportunities in London and provide opportunities to young people to access and participate in creative music making in modern genres. To proceed with structured access to professional training in music including higher education and vocational training while partnering with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences, whilst providing artist and business support creating independence in their careers.

3. Ensuring our work delivers our aims

In shaping and reviewing Community Music's aims and objectives for the year and planning their activities, the trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Community Music reviews their aims, objectives and activities each year to assess the success of each key activity, and the benefits they have brought to those groups of people they are set up to help. This ensures Community Music's aims, objectives and activities remain focused on their stated purposes.

4. Achievements and performance

Arts Council Annual Survey 2020-2021

The Arts Council provided Community Music with positive feedback and commented that the organisation has a 'Minor Risk level status' and a 'Strong Creative Case for Diversity'.

The new fourth studio has ensured Community Music can accommodate and increase young people's numbers and the frequency of delivery on both the degree and other music & digital provision.

The Creative Music Production and Business Degree

Community Music had a stable year of recruitment which provided a total of 79 students across 2 years. 17 students from the previous 2nd year went on to a 3rd year at University of Westminster. During the Covid-19 UK lockdown delivery was transitioned to online live delivery with additional online support materials, additional 121 support, increased training and extra experiential activity scheduled for students once lockdown was lifted to ensure students received the skills and experiences required for the music industry. To combat barriers to learning due to home resources CM provided a resource loan system so students were able to benefit and receive all the lockdown training provided by CM.

Music Leader Training Programme Online

After the success of the beta version The Music Leader Programme Online was delivered twice in 2020-21 with roughly 60 students across 2 cohorts. The platform provides engaging tuition through video, audio, text, images, PDF download guides and other functions such as quizzes and assignment facilities. The course has had over 30 reviews and maintains a 5-star rating. The course was not affected by the lockdown due to all lessons, assignments and micoteach assessments taking place online.

Mind The Music

Mind the Music is funded by the JA Clark trust, Youth Music, Children in Need and The East End Community Fund to support the mental health of young people on existing Community Music projects, and those referred to us through CAMHS and the Coburn in-patient Centre for adolescent mental health in Newham. It offers one to one and small group tuition and is adaptable to the needs of those accessing this service.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Over the lockdown period further young people from other referrals came forward including young people already working with Community Music and sessions in Brighton.

Online 121 sessions were provided during the lockdown to the CAMHS centres and individuals. To reduce the barriers of learning cloud-based music production software was used specifically VIP studios by Charanga and SoundTrap by Spotify. During 2020 to 2021 Mind The Music delivered 98 online sessions and 38 group sessions.

In 2021 Community Music will receive its report from University of Essex who researched the outcomes and evaluations of the participants referred from CAMHS, NHS, staff, 121 sessions and tutors involved in Mind The Music over the last 24 months.

Artist development

Although no live events took place between 2021-22 Community Music hosted several free online masterclass sessions covering music production, DJing, digital skills, podcasting, social media, business & marketing, and photography. The masterclasses were a blend of professional tutors and professional industry experts.

Create 2020

Create 20x20 which is a partnership with Homes from Haringey and previous to lockdown attracted up to 30 young people each week enabling them to produce their own radio shows, podcasts, digital skills, record their own music and address issues surrounding them through music. During lockdown online sessions were provided for young people and continued the training and engagement in the local area. Funding with Homes from Haringey and Youth Music has been approved to continue for 2021-2022.

Metropolitan Police

Community Music built on its work with Create 2020 and delivered online music training in partnership with The Metropolitan Police in the Enfield area. Working with 2 cohorts of young people who were at risk in the Enfield area.

ReCharge

ReCharge is the newly designed youth programme at Community Music. The project provides free training for 12-24 year olds and offers training in music production, DJing, digital skills, podcasting, social media, business & marketing and photography. During lockdown this all took place online and funded by Youth Music, East End Community Fund and Community Music's own investment. In the year the project had over 300 sign ups and sessions took place twice during the week and Saturdays over the lockdown period.

Mayer Brown, Mintel and CSR

Mayer Brown and Mintel continued their relationship with Community Music and both organisations selected Community Music as charity of the year and unrestricted funds donated to Community Music.

Short Courses for Adults and Professional Education

The Covid-19 pandemic paused most of the face to face and classroom training.

During 2020-2021 live online short courses were delivered using video platforms such as Zoom and Google classrooms. Over this period further courses have been developed to enhance professional skills which are low cost with instalment payment options to ensure adults have access to skill enhancement in music and digital skills.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Digital Delivery and Blended Learning

Over 2020-2021 Community Music used a high level of digital delivery and in parts blended learning. Over this period Community Music's static online support and resource library has grown by over 300%. The experiences has been useful and information will be reviewed and used for future digital and blended learning. The aim is to provide further transferable skills and work placement opportunities, address the digital divide and the growing skills gap in digital skills in the cultural sector.

Partners

Lockdown made it particularly difficult to maintain planned projects and partnerships and in this financial year Community Music were aiming to work and continue work in 2021-2022 with: Houghton Festival, Sound Skool, Alexandra Palace, Continental Drifts, Transform UK/TCW/London East Alternative Provision, Tower Hamlets CAMHS, Coburn Centre, Newham, New Direction for the Cultural Education Partnership, First artists Management, Pioneer, Radio 1, University of Essex, Sunway University Malaysia, Kooth.com, Newham Mental Health services and SMART mental health charity, London Met Police, Tower Hamlets Children and Young People's Centre, Tower Hamlets Education Wellbeing Service (THEWs), East London NHS Foundation Trust, The Tavistock and Portman NHS Foundation Trust, Whitechapel Gallery, Cardboard Citizens, The Orchestra of the Age of Enlightenment & Spitalfields Music, Sound and Music, A-Team Arts, CDR, PyroRadio, Homes for Harringay, VIP studio sessions, SMART, Music Education, THAMES, Youth Music, New Direction. Musicians Union and National Education Union, Mayer Brown, Mintell, University of Westminster and The Arts Council.

5. The public benefit of provision

5.1 All of Community Music's provision is intended to be of public benefit to a variety of people. The majority of Community Music's local youth provision is accessible to anyone aged 13-24 living or studying in Tower Hamlets and Haringey, and during the Covid-19 pandemic lockdown Community Music broadened it's online session reach to the whole of the UK to support young and vulnerable people through the lockdown

5.2 Community Music does not charge fees for any course or activity on the youth programme. The higher education provision is accessible by anyone aged 18 and above and is not restricted geographically. Community Music specifically targets those people who would not normally be able to access higher education, either through a lack of formal qualifications or for financial reasons and uses targeted demographic marketing to encourage local recruitment.

5.3 Community Music's higher education tuition fees are significantly lower than the standard degree cost and the FdA: Creative Music Production and Business course is fully supported by the student loans system for those who cannot afford the initial tuition cost outright. Monthly payment schemes are also available for other adult and HE programmes including the Music Leader course and Community Music works hard to ensure no one is excluded due to financial reasons where possible. The facilities are fully accessible and have full wheelchair access.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

6. Financial review

6.1 Financial aims of charity

- To maintain reserves to cover 6-12 months operating costs.
- To implement a sustainable fundraising strategy.

6.2 Policy on reserves

1. The Trustees of Community Music recognise their responsibility to have a transparent policy on managing the resources of the company, including financial reserves. They acknowledge this as a requirement under the Statement of Recommended Practice: Accounting and Reporting by Charities.

2. The term 'reserves' is defined as that part of the charity's funds that are freely available for general purposes. In the case of Community Music, almost all of the income usually comes from a variety of grant aid and earned income. This would relate to income classified as unrestricted funds, which is available to spend on general charity purposes, once all its commitments have been met and its planned expenditure has been covered.

3. The Trustees of Community Music believe that it is generally in the interests of the charity to work towards a position of holding reserves that would cover 6-12 months operating costs. This is to ensure adequate cash flow flexibility to meet emergency measures, delayed payment of grants and unpredictable variations in expected income.

4. Community Music has increased its surplus over the past three years. This year our income and surplus has increased due to the increase in students on the FDA programme, cost control and successful fundraising for equipment and youth and community projects.

6.3 Income and Turnover

The income and turnover of Community Music from 2018-2021 is:

Period / Income / Surplus / (deficit) Total Funds

18/19 £692,718 £95,035 £389,519 (restricted funds £18,950)

19/20 £768,390 £55,215 £444,734 (restricted funds £33,041)

20/21 £722,292 £193,171 £637,905 (restricted funds £115,675)

Community Music Trustees are concerned to maintain a robust business model through effective fundraising, tight cost control, protecting the brand quality and keeping ahead of the sector with initiatives. Community Music's turnover has grown annually and unrestricted funds surpluses on annual performance have steadily increased in 2020-2021.

6.4 Financial Stability and Resilience

This year Community Music has continued to build earned income and decrease dependence on grant aid. 83% of Community Music's income in 2020/21 is classified as unrestricted funds. Whilst remaining financially accessible for students, the Foundation Degree now generates a significant proportion of our income through tuition fees and supports the delivery of the free access education programmes on offer at Community Music. Students NEEDs completing can access student finance for this programme and face no upfront costs. Community Music completes an annual risk assessment that addresses any concerns or considerations for the coming year.

Partnerships are key to their continued resilience and ability to thrive. Community Music has longstanding partnerships with the University of Westminster and City & Guilds, which Community Music takes care to manage well to ensure the long-term security of our HE provision.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Principal other funding sources this year were:

- Arts Council of England: core costs, equipment, training and artist development
- Trusts and Foundations

Community Music remains an Arts Council National portfolio client, and their current funding stands at £136,426 per year. This essential funding allows the charity to develop their core work whilst leveraging in funding from other sources.

The Arts Council percentage ratio return is around £4.50 for every £1 invested.

6.5 Trusts and Foundations

Community Music has a good track record of securing funding from trusts and foundations. Current income includes funding from the JA Clark Trust, Children in Need & Youth Music who have funded Community Music for the past few years to deliver work with local youth and NEET organisations and now the Mind the Music programme, a major initiative supporting young people through music with mental health issues.

6.6 Fundraising Strategy

Community Music's financial model remains one that seeks income from a variety of different sources and is not solely dependent on grant aid. Community Music's key focus is to ensure the charity continues to seek new sources of income and funding, including self-generated income, in order to protect itself and to ensure long-term viability.

The fundraising strategy which exploits many sources of income including:

- Funding from CSR, regular individual giving, high net worth individuals and organisations
- Other earned income from Adult Creative learning sales,
- Continuing current funding relationships with HE and other service providers
- Continuing to generate income through grant aid.

6.7 Unrestricted funding for general purposes.

Community Music is the recipient of funds from the Arts Council and was successfully awarded a four-year National Portfolio funding agreement this year, lasting until 2022 and recently extended until 2023 (dependent on feedback of submitted business plan). The funding is tied to a programme of specific projects and outputs and covers core costs. The Arts Council view their funding as investment rather than grant aid and are specific about the returns they wish to see. Community Music has a good relationship with the Arts Council and the Relationship Manager is working closely with Community Music to develop that relationship further. Community Music has continued to move forward as a more resilient, self-sufficient organisation, and continue to see the development of this new model building over the coming years. Fee paying tuition is increasingly supporting the non-fee-paying delivery whilst continuing to offer low-cost access to higher education. Community Music is also building on their corporate sponsors. Community Music continues to successfully grant funds from trusts and foundations, which allow the charity to develop new work such as the Mind the Music project.

7. Risk Statement

The trustees actively review the major risks to the company on a regular basis and believe that maintaining free reserves combined with internal review of financial controls provides sufficient protection against unforeseen financial variations. Other operational risks are assessed annually and effective action taken to mitigate these risks.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

8. COVID-19 Crisis

Covid-19 lockdown in the UK officially began on March 23rd 2020 just before the beginning of the financial year, forcing Community Music to adjust how it operates due to the building closing. Community Music followed daily UK Government guidelines and updates relating to COVID-19 regulation guidelines. An emergency strategy and process was followed, this included financial planning, emergency forecasting, operational planning and delivery, safeguarding including young people, staff and trustees. Continuing risk assessments were and are conducted to meet changing COVID-19 national and local regulations. Fundraising was achieved through two COVID-19 emergency funds to ensure youth projects continued. Regular meetings and communication relating to daily operations at the charity and check in with trustees are carried out.

9. Going Concern (COVID-19)

The Trustees have been carrying out a continuous assessment of the impact of COVID-19 on the operations of the charity, and considered the risks and threats posed.

The Trustees are satisfied that to date, the threat to operations has been minimal, and whilst working arrangements have had to be adapted, this has not significantly reduced the effectiveness of the organisation.

The Trustees are monitoring events in the country, and have a protocol in place, to provide a quick response to any changes in the operating environment, but currently do not anticipate any circumstances that significantly curtail the ability of the charity to function.

The Trustees have also considered the non-COVID-19 related circumstances and projections of the charity and are satisfied that the going concern basis is appropriate for these financial statements.

10. Volunteers

All of our work is carried out by our paid team. However, we should like to thank those who have given their time voluntarily to provide pro-bono advice and support to us during this period. This has enhanced and enriched our work. The advice and support is generally project based or relating to specific aspects of our work. The efforts of volunteers constitute a valuable element of the charity's activities.

11. Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 26 to the Audited Financial Statements.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 26 to the financial statements.

Trustees' responsibilities statement

In preparing these financial statements, the trustees are required to:

- (a) the directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice;
- (b) company law requires the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit profit or loss of the charity for that period;
- (c) in preparing the financial statements the directors are required to:
 - (i) select suitable accounting policies and then apply them consistently;
 - (ii) make judgements and accounting estimates that are reasonable and prudent;
 - (iii) State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
 - (iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- (d) the directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act;
- (e) the directors are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- (f) where appropriate, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

In the case of CA 06 Co.-s418(2) each of the persons who are directors at the time when the report is approved, the following applies:

- (a) so far as each director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

(b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

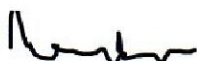
The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

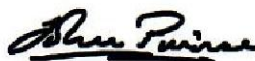
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 21 December 2021 and signed on behalf of the board of trustees by:

H Searle
Chair



J Prince
Trustee



Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

Year ended 31 March 2021

Opinion

We have audited the financial statements of Blueprint Trust (the 'charity') for the year ended 30 April 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cashflows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the audited financial statements:

- give a true and fair view of the state of the charity's affairs as of 30 April 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom accounting standards, including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements relating to the audit of the financial statements in the UK, including the Financial Reporting Standards (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.

In common with many other charities of our size and nature we use our auditors to assist with the bookkeeping and the preparation of the financial statements.

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 preparation of the financial statements is appropriate.

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

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

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

(continued)

Year ended 31 March 2021

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditors report thereon. The trustees are responsible for the other information contained within the trustees' report. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements. 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 (incorporating the Directors' Report) for the financial year for which the audited financial statements are prepared is consistent with the audited financial statements; and
- the Directors' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the audited 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 audited financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited (continued)

Year ended 31 March 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework 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 audited financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the audited financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the audited financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited financial statements, including the disclosures, and whether the audited financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited *(continued)*

Year ended 31 March 2021

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 considered the nature of the charity's industry and its control environment and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and others within the entity about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act, Charities Act, Charities (Accounts and Reports) Regulations 2008, Health and Safety Act, employment law, pensions legislation, tax legislation, Bribery Act and Slavery Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, fundraising regulations and Anti-Money Laundering Regulations (including Proceeds of Crime Act 2002 and Terrorism Act 2000)

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Recognition of grant income: this involves judgement around whether grants have performance conditions attached to them which have to be met before income can be recognised, as well as judgement over whether or not those conditions have been satisfied. On a sample basis, we have assessed the judgements and estimates made by management in the recognition of this income.
- Appropriate allocation of restricted income: there is a risk that restricted income may not have been identified and allocated as such. We reviewed the allocation of income to restricted or unrestricted funds on initial recognition to ensure restrictions were appropriately identified and applied, and we reviewed fund transfers from restricted to unrestricted funds to assess the rationale for those movements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited *(continued)*

Year ended 31 March 2021

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal management reports, reviewing correspondence with HMRC and with the Charity Commission.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed

John Assie FCCA (Senior Statutory Auditor)
for and on behalf of
Jackson Nicholas Assie Limited
Chartered Certified Accountants and Statutory Auditors
Suite 7, Meridian House
62 Station Road
Chingford
London E4 7BA



22 December 2021

Community Music Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	199,611	81,729	281,340	231,117
Charitable activities	6	394,277	46,652	440,929	537,227
Investment income	7	23	—	23	46
Total income		<u>593,911</u>	<u>128,381</u>	<u>722,292</u>	<u>768,390</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	8	53,335	—	53,335	56,403
Expenditure on charitable activities	9,10	430,039	45,747	475,786	656,772
Total expenditure		<u>483,374</u>	<u>45,747</u>	<u>529,121</u>	<u>713,175</u>
Net income and net movement in funds		<u>110,537</u>	<u>82,634</u>	<u>193,171</u>	<u>55,215</u>
Reconciliation of funds					
Total funds brought forward		411,693	33,041	444,734	389,519
Total funds carried forward		<u>522,230</u>	<u>115,675</u>	<u>637,905</u>	<u>444,734</u>

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

The notes on pages 19 to 30 form part of these financial statements.

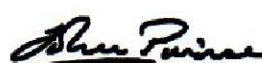
Community Music Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2021

	Note	2021 £	£	2020 £
Current assets				
Debtors	19	273,937		302,185
Cash at bank and in hand		<u>410,728</u>		<u>211,282</u>
		684,665		513,467
Creditors: amounts falling due within one year	20	<u>(46,760)</u>		<u>(68,733)</u>
Net current assets			637,905	444,734
Total assets less current liabilities			637,905	444,734
Net assets			637,905	444,734
Funds of the charity				
Restricted funds			115,675	33,041
Unrestricted funds			522,230	<u>411,693</u>
Total charity funds	22		637,905	444,734

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

These audited financial statements were approved by the board of trustees and authorised for issue on 21 December 2021, and are signed on behalf of the board by:

H Searle
Trustee 

J Prince
Trustee 

Company Registration Number: 01967704

The notes on pages 19 to 30 form part of these financial statements.

Community Music Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	193,171	55,215
<i>Adjustments for:</i>		
Other interest receivable and similar income	(23)	(46)
Accrued expenses	—	1,133
<i>Changes in:</i>		
Trade and other debtors	28,248	(56,317)
Trade and other creditors	(21,973)	(42,899)
Net cash flow from operating activities	199,423	(42,914)
Cash flows from investing activities		
Interest received	23	46
Net increase/(decrease) in cash and cash equivalents	199,446	(42,868)
Cash and cash equivalents at beginning of year	211,282	254,150
Cash and cash equivalents at end of year	410,728	211,282

Community Music Limited
Company Limited by Guarantee
Notes to the Audited Financial Statements
Year ended 31 March 2021

1. General information

The charity is a public benefit entity as defined by FRS102 and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Brady Centre, 192-196 Hanbury Street, London, E1 5HU.

2. Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

3. Accounting policies

Basis of preparation

The audited financial statements have been prepared on the historical cost basis.

The audited financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have considered the impact of COVID-19 on the charities activities and have concluded there is no long-term impact on the organisation. As a result, it is considered that the going concern status remains intact.

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There have not been any judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies. There are no other judgements nor other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the life of the lease.

Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. With the exception of Cycle Scheme Assets, the costs of minor additions or those costing below £2,500 are not capitalised.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

straight line basis over 3 years	-	Office equipment & furniture
straight line basis over 2 years	-	Studio equipment
straight line basis over 3 years	-	Computers & musical equipment
straight line basis over 3 years	-	Cycle & computer scheme assets

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements (continued)

Year ended 31 March 2021

4. Limited by guarantee

Community Music Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Mintel Group	—	—	—
Mayer Brown	4,431	—	4,431
Donations under £5000	80	—	80
Grants			
The Arts Council	136,426	—	136,426
The Arts Council Capital Grant	—	60,172	60,172
BBC Children in Need	—	6,440	6,440
Covid-19 Grant Re:Charge	5,600	—	5,600
National Foundation Youth Music	8,400	—	8,400
J. A. Clark Charitable Trust	—	10,000	10,000
LB of Tower Hamlets - Music Space Academy	—	—	—
Furlough Income	44,674	—	44,674
Grants of £5000 or less	—	5,117	5,117
	<u>199,611</u>	<u>81,729</u>	<u>281,340</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Mintel Group	5,000	—	5,000
Mayer Brown	10,241	—	10,241
Donations under £5000	—	2,500	2,500
Grants			
The Arts Council	133,961	—	133,961
The Arts Council Capital Grant	—	31,722	31,722
BBC Children in Need	—	9,660	9,660
Covid-19 Grant Re:Charge	—	—	—
National Foundation Youth Music	—	—	—
J. A. Clark Charitable Trust	—	23,333	23,333
LB of Tower Hamlets - Music Space Academy	—	9,600	9,600
Furlough Income	—	—	—
Grants of £5000 or less	—	5,100	5,100
	<u>149,202</u>	<u>81,915</u>	<u>231,117</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Accredited courses - fee income	392,410	—	392,410
Local projects & other training - grants and fees	1,415	27,265	28,680
Events Income	—	—	—
Other income from charitable activities	452	19,387	19,839
	<u>394,277</u>	<u>46,652</u>	<u>440,929</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Accredited courses - fee income	476,686	—	476,686
Local projects & other training - grants and fees	11,402	40,207	51,609
Events Income	—	1,600	1,600
Other income from charitable activities	4,344	2,988	7,332
	<u>492,432</u>	<u>44,795</u>	<u>537,227</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	<u>23</u>	<u>23</u>	<u>46</u>	<u>46</u>

8. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fundraising and publicity costs	<u>53,335</u>	<u>53,335</u>	<u>56,403</u>	<u>56,403</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Artist facilities	—	—	—
Live music promotion and Artist and business support	1,519	—	1,519
Local youth music promotion	33,004	32,276	65,280
Professional training	266,852	—	266,852
Support costs	128,664	13,471	142,135
	<u>430,039</u>	<u>45,747</u>	<u>475,786</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Artist facilities	—	31,722	31,722
Live music promotion and Artist and business support	13,397	—	13,397
Local youth music promotion	17,679	67,007	84,686
Professional training	348,198	—	348,198
Support costs	164,879	13,890	178,769
	<u>544,153</u>	<u>112,619</u>	<u>656,772</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Artist facilities	—	—	—	31,722
Live music promotion and Artist and business support	1,519	2,694	4,213	16,869
Local youth music promotion	65,280	18,860	84,140	108,993
Professional training	266,852	103,726	370,578	481,885
Governance costs	—	16,855	16,855	17,303
	<u>333,651</u>	<u>142,135</u>	<u>475,786</u>	<u>656,772</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

11. Analysis of governance costs

	2021	2020
	£	£
Audit Fees	13,594	13,594
Trustees Meetings	567	238
Staff	1,667	2,298
Premises	399	527
Communications	341	361
Legal & Professional	–	21
Finance	2	5
Marketing	–	4
Other	285	255
Total	<u>16,855</u>	<u>17,303</u>

12. Analysis of support costs (excluding governance costs)

	Live music promotion and Artist and business support £	Local youth music promotion £	Professional training £	Total 2021 £	Total 2020 £
Staff costs	1,667	11,671	64,176	77,514	106,857
Premises	399	2,792	15,356	18,547	24,528
Communications and IT	340	2,384	13,113	15,837	16,798
Human resources	–	2	10	12	963
Finance costs	2	15	84	101	246
Support costs:					
Marketing	–	–	–	–	207
Support costs: Other costs	285	1,998	10,986	13,269	11,867
	<u>2,693</u>	<u>18,862</u>	<u>103,725</u>	<u>125,280</u>	<u>161,466</u>

The basis of allocation of support costs to activities is as follows:

- Staff: Staff time
- Other costs: Usage

13. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Operating lease rentals	<u>1,744</u>	<u>2,764</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

14. Auditors remuneration

	2021	2020
	£	£
Fees payable for the audit of the audited financial statements	3,399	3,399
Fees for non-audit services	<u>10,195</u>	<u>10,195</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	333,324	400,565
Social security costs	24,120	31,876
Employer contributions to pension plans	<u>6,563</u>	<u>7,902</u>
	<u>364,007</u>	<u>440,343</u>

The average head count of employees during the year was 16 (2020: 21). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Accredited courses	2	2
Artist development	1	1
Development, Education, Networking	2	2
Fundraising and publicity	<u>1</u>	<u>1</u>
	<u>6</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total paid to key management personnel for services provided to the charity was £52,581 (2020: £46,893).

16. Trustee remuneration and expenses

None of the trustees received any remuneration and no members received expenses during the year (2020: Nil).

None of the trustees or other person related to the charity has any personal interest in any contract or transaction entered into by the charity during the year (2020: None)

17. Transfers between funds

Transfers from unrestricted funds to restricted funds are to make good funding shortfalls and eliminate negative fund balances.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

18. Tangible fixed assets

	Office equipment & furniture £	Studio Equipment £	Computers & musical equipment £	Cycle & Computer Scheme Assets £	Total £
Cost					
At 1 April 2020 and 31 March 2021	<u>9,910</u>	<u>29,156</u>	<u>62,969</u>	<u>3,307</u>	<u>105,342</u>
Depreciation					
At 1 April 2020 and 31 March 2021	<u>9,910</u>	<u>29,156</u>	<u>62,969</u>	<u>3,307</u>	<u>105,342</u>
Carrying amount					
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

19. Debtors

	2021 £	2020 £
Trade debtors	39,611	22,403
Prepayments	3,585	4,011
Accrued income	230,690	275,720
Other debtors	51	51
	<u>273,937</u>	<u>302,185</u>

20. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,527	596
Accruals and deferred income	1,133	1,133
Social security and other taxes	7,440	9,056
Deferred Income	-	11,617
Other creditors	32,660	46,331
	<u>46,760</u>	<u>68,733</u>

The figure of other creditors includes a pension liability of £1,260 (2020: £1,489). There is no other pension liability other than those disclosed above.

Deferred income (see note 20a) represents grants received for the purpose of expenditure in a future period.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

20a. Deferred income

	2021 £	2020 £
At 1 April 2020	11,617	40,810
Additions during the year	—	11,617
Amounts released to income	(11,617)	(40,810)
At 31 March 2021	—	11,617

21. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,563 (2020: £7,902).

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	411,693	593,911	(483,374)	522,230

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	370,569	641,680	(600,556)	411,693

Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Youth Music - General	31,125	68,209	(45,747)	53,587
Children in need	1,335	—	—	1,335
Youth Music - 'Can Play, Will Play'	581	—	—	581
Arts Council - Capital Grant	—	60,172	—	60,172
	33,041	128,381	(45,747)	115,675

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Youth Music - General	17,034	94,988	(80,897)	31,125
Children in need	1,335	—	—	1,335
Youth Music - 'Can Play, Will Play'	581	—	—	581
Arts Council - Capital Grant	—	31,722	(31,722)	—
	18,950	126,710	(112,619)	33,041

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

22. Analysis of charitable funds *(continued)*

Purposes of Funds

BBC Children in Need (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

J A Clarke Charitable Trust (General Youth Music) – To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

BBC Children in Need (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

East End Community Fund – To support Re-Charge, free sessions are run by experienced tutors in professional industry standard studios. Available to those between the ages of 12 and 25.

National Foundation MTM Plus (General Youth Music) - To support young people with mental health and wellbeing issues through creative music making (Mind the Music Programme).

Homes for Haringey (General Youth Music) – to enable young people to produce their own radio shows, podcasts and skills.

Arts Council Capital Grant – to acquire studio equipment and resources to broaden and increase training to its users.

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Current assets	568,990	115,675	684,665
Creditors less than 1 year	(46,760)	–	(46,760)
Net assets	522,230	115,675	637,905

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Current assets	480,426	33,041	513,467
Creditors less than 1 year	(68,733)	–	(68,733)
Net assets	411,693	33,041	444,734

24. Analysis of changes in net debt

	At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	211,282	199,446	410,728

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2021

25. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	1,584	1,584
Later than 1 year and not later than 5 years	2,293	3,875
	<u>3,877</u>	<u>5,459</u>

26. Post balance sheet events

The trustees have considered the likelihood of any negative subsequent events arising from the impact of COVID-19 and concluded that the incidence of such events is likely to be minimal.

The trustees have also considered the likelihood of other significant post balance sheet events and concluded that there are none which impact the financial statements.

27. Related parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year.

28. Audit Delay

The audit process was delayed, due to internal constraints of the auditors, resulting from the effect of the Covid-19 on working arrangements, and work scheduling. This was accentuated by, the fact that the audit firm, had to prepare for, and undergo an internal audit, in the second week of December. Had it not been for this fact, the audit would have concluded in early November. Had the financial statements been finalised in a timely fashion, there would have been no need to apply for a filing extension with Companies House, on a pre-emptive basis. Community Music were not at fault in this regard.