

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

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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.

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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.

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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.

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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 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 13-24 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.

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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.

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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.

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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.

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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

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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.

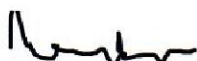
The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

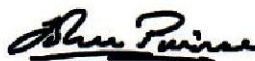
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

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



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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.

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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.

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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.

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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.

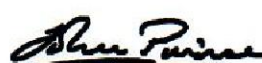
Community Music Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2021

	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	<u>(11,617)</u>	<u>(40,810)</u>
At 31 March 2021	<u>–</u>	<u>11,617</u>

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)	<u>522,230</u>

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	370,569	641,680	(600,556)	<u>411,693</u>

Restricted funds

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

	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)	–
	<u>18,950</u>	<u>126,710</u>	<u>(112,619)</u>	<u>33,041</u>

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.