

Company registration number: 00751458

Charity registration number: 306231

# Dorset Rural Music School Limited

known as

Dorset Rural Music School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Harney & Co Limited  
Registered Auditor and Chartered Certified Accountant  
21 Market Place  
Blandford Forum  
Dorset  
DT11 7AF

**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**

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**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**

**Reference and Administrative Details**

<b>Trustees</b>	Mrs J Newall, Chairman Mr J H C Privett, Treasurer Miss A Ecclestone Mr R Ely Mr R M Goodbody, (resigned 7 June 2021) Mr J Goodman, (appointed 7 June 2021) Mr F D Hallatt Mrs J J Soole Mr M W Warren
<b>Secretary</b>	Mr R M Goodbody, (resigned 7 June 2021)
<b>Senior Management / Leadership Team</b>	Ms E Marsden, Musical Director Miss L J Martin, Administrative Clerk
<b>Charity Registration Number</b>	306231
<b>Company Registration Number</b>	00751458
<b>Registered Office</b>	The charity is incorporated in England and Wales. The Music School The Close Blandford Forum Dorset DT11 7HA
<b>Independent Examiner</b>	Harney & Co Limited Registered Auditor and Chartered Certified Accountant 21 Market Place Blandford Forum Dorset DT11 7AF

**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**

**Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2021.

**Objectives and activities**

***Objects and aims***

The purposes of the Charity are:

- to provide an organisation for the teaching of music;
- to provide a music centre for students of all ages living in the villages and towns of Dorset, and
- to promote the study and practice of music, especially in its social and co-operative forms among such students.

We aim to promote and encourage musical education and facilities for students of all ages and abilities at our own premises, in local schools, colleges and venues.

***Objectives, strategies and activities***

The strategies employed to achieve the charity's aims and objectives are to:

- offer tuition in all standard instruments, singing and in the theory of music;
- to teach students at all levels and of all ages;
- to teach a wide variety of musical styles;
- to prepare candidates for exams or play for pleasure;
- to offer the use of a music library and shop, and
- to offer a range of musical instruments for short or long-term hire.

***Fundraising disclosures***

The School relies upon its income from tuition fees and other charges to cover its operating activities. In order to make this affordable and accessible to the community it has been the School's careful policy to reduce operating costs where at all possible.

***Public benefit***

In planning our activities for the year, the trustees endeavour to make accessible and encourage all within our community. We offer a standard package of lessons but these can be tailored to meet specific needs. Every student is offered a free half-hour 'taster' lesson.

The school has also diversified to provide musical appreciation classes, other sessions and concerts in several towns within Dorset as well as other musical events involving past and present students as well as others.

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

**Achievements and performance**

This year, not unlike the previous one, was dominated by the national restrictions imposed by the Covid-19 pandemic. Although some teaching in schools was possible, obligatory closures resulted in a serious diminution of normal activities. Towards the end of the financial year the trustees' minds were turned towards the need in replacing both its full time employees the Musical Director and Office Manager, due to their retirement.



**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**  
**Trustees' Report**

**Financial review**

The year's financial results have reflected the reduced activities due to the pandemic. However, with the assistance of the Government's Job Retention Scheme a modest surplus resulted at the end of the year. Both total income and expenditure were substantially reduced from the previous years levels.

***Policy on reserves***

The School retains modest reserves in order to cover the costs of any unplanned expenditure. The reserves are invested in COIF Charities Investment Funds with a total market value as at the balance sheet date of £23,838 (2020 £20,251). The school has unrestricted access to these funds and the annual income thereon is utilised for its charitable purposes.

***Funds in deficit***

The School had no reserves in deficit.

**Plans for future periods**

***Aims and key objectives for future periods***

The restrictions on the charity's activities which have been the over-riding feature of the last year having now largely come to an end, the trustees look forward to the resumption of the whole range of the charity's activities, together with new initiatives. Much recent re-furbishment and many improvements to the charity's premises will ensure that the best possible use can be made of the charity's teaching and performance facilities.

**Structure, governance and management**

***Nature of governing document***

Dorset Rural Music School is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26th February 1963. It is registered as a charity with the Charity Commission.

***Recruitment and appointment of trustees***

It is a requirement that the Board of Governors shall have full discretion as to the admission of any person wishing to become a trustee on the Board upon written request.

***Induction and training of trustees***

The existing Trustees ensure that new members are given sufficient training and gain enough knowledge to understand the nature of the charity to fully comply with its aims and objectives.

***Arrangements for setting key management personnel remuneration***

The key management to Dorset Rural Music School, other than the Trustees, are its Musical Director and Administrative Clerk, and their rates of pay are reviewed by the Trustees, whom themselves receive no remuneration.

**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**  
**Trustees' Report**

***Organisational structure***

The Board of Governors, administers the charity and have appointed the Musical Director to be responsible for the day to day activities of the Charity and for managing the other staff. The Musical Director is also responsible for reporting to a smaller group of Trustees, a sub committee, primarily dealing with the financial affairs of the Charity, who meet on a regular basis.

***Major risks and management of those risks***

The main concern of the Charity is the noted diminution in demand for musical education particularly among the younger generation which seems to be part of a national pattern.

In order to counteract this trend the Charity continues to review ways in which its activities can be diversified to encourage a wider interest in the practice of music.

**Financial instruments**

***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

***Cash flow risk***

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

**Funds held as custodian trustee on behalf of others**

The Charity administers a COIF Charities Investment Fund - Income Units at a market value of £2,905 (2020 £2,468) at the balance sheet date.

## **Dorset Rural Music School Limited**

### **known as Dorset Rural Music School**

#### **Trustees' Report**

This fund is known as 'The Fanny Kindersley Trust' and upon her death Fanny Kindersley, who formed the Dorset Choral Association, left a legacy in order that a memorial trust could be formed and administered by the Dorset Choral Association. The income from that trust fund was to be accumulated and awarded in every third year to a promising musician resident in the County of Dorset for the purpose of assisting in his or her musical education or advancement. Since the demise of the Dorset Choral Association in 1976 the administration of this fund has passed to the Dorset Rural Music School.

The capital is invested in a separate fund entitled 'The Fanny Kindersley Trust' and is not reflected on the Balance Sheet as part of the School's Funds. However, the Trustees who administer this investment have voted the income thereon be donated to the Dorset Rural Music School in furtherance of its objectives.

#### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Dorset Rural Music School Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 29 April 2022 and signed on its behalf by:



.....  
Mrs J Newall  
Trustee

**Dorset Rural Music School Limited**

**known as Dorset Rural Music School**

**Independent Examiner's Report to the trustees of Dorset Rural Music School Limited  
("the Company")**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2021.

**Responsibilities and basis of report**

As the charity's trustees of Dorset Rural Music School Limited (and also its directors 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 Dorset Rural Music School Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

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

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

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 accounts to be reached.

*S A Harney*

.....  
Mrs S A Harney  
Registered Auditor and Chartered Certified Accountant

21 Market Place  
Blandford Forum  
Dorset  
DT11 7AF

29 April 2022

**Dorset Rural Music School Limited**

**known as Dorset Rural Music School**

**Statement of Financial Activities for the Year Ended 31 August 2021  
(Including Income and Expenditure Account and Statement of Total Recognised Gains  
and Losses)**

	Note	Unrestricted £	2021 £	2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	30,585	30,585	22,904
Charitable activities	4	31,382	31,382	44,480
Other trading activities	5	4,929	4,929	10,361
Investment income	6	620	620	608
Total income		<u>67,516</u>	<u>67,516</u>	<u>78,353</u>
<b>Expenditure on:</b>				
Raising funds	7	(4,675)	(4,675)	(6,992)
Charitable activities	8	<u>(58,254)</u>	<u>(58,254)</u>	<u>(72,558)</u>
Total expenditure		(62,929)	(62,929)	(79,550)
Gains/losses on investment assets		<u>3,587</u>	<u>3,587</u>	<u>394</u>
Net income/(expenditure)		<u>8,174</u>	<u>8,174</u>	<u>(803)</u>
Net movement in funds		8,174	8,174	(803)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>39,535</u>	<u>39,535</u>	<u>40,338</u>
Total funds carried forward	22	<u><u>47,709</u></u>	<u><u>47,709</u></u>	<u><u>39,535</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

A summary of income, expenditure and other recognised gains/losses is shown in note 22.

The notes on pages 10 to 22 form an integral part of these financial statements.

**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**

**(Registration number: 00751458)**  
**Balance Sheet as at 31 August 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	16	13,011	13,710
Investments	17	23,838	20,251
		<u>36,849</u>	<u>33,961</u>
<b>Current assets</b>			
Stocks	18	6,454	7,774
Debtors	19	2,826	5,447
Cash at bank and in hand	20	16,822	12,983
		26,102	26,204
<b>Creditors: Amounts falling due within one year</b>	21	(15,242)	(20,630)
<b>Net current assets</b>		<u>10,860</u>	<u>5,574</u>
<b>Net assets</b>		<u>47,709</u>	<u>39,535</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>47,709</u>	<u>39,535</u>
<b>Total funds</b>	22	<u>47,709</u>	<u>39,535</u>

For the financial year ending 31 August 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:


- The trustees have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The notes on pages 10 to 22 form an integral part of these financial statements.

**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**  
**(Registration number: 00751458)**  
**Balance Sheet as at 31 August 2021**

The financial statements on pages 7 to 22 were approved by the trustees, and authorised for issue on 29 April 2022 and signed on their behalf by:

  
.....  
Mr J H C Privett  
Trustee

The notes on pages 10 to 22 form an integral part of these financial statements.

# **Dorset Rural Music School Limited**

## **known as Dorset Rural Music School**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Dorset Rural Music School Limited 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 notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.



# **Dorset Rural Music School Limited**

## **known as Dorset Rural Music School**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## **Dorset Rural Music School Limited**

### **known as Dorset Rural Music School**

#### **Notes to the Financial Statements for the Year Ended 31 August 2021**

##### **Tangible fixed assets**

Individual fixed assets are initially recorded at cost, and thereafter cost less any subsequent depreciation and/or impairment.

##### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	0%
Music for library	0%
Musical instruments	10% reducing balance
Fixtures and fittings	10% reducing balance
Office equipment	10% reducing balance

##### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

##### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

##### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **Dorset Rural Music School Limited**

### **known as Dorset Rural Music School**

#### **Notes to the Financial Statements for the Year Ended 31 August 2021**

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

##### **Financial instruments**

###### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

###### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

###### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

# **Dorset Rural Music School Limited**

## **known as Dorset Rural Music School**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

#### **3 Income from donations and legacies**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Donations and legacies;		
Donations from individuals	5,681	5,681
Gift aid reclaimed	125	125
Grants, including capital grants;		
Government grants	21,848	21,848
Donations from community groups	76	76
Regular giving and capital donations	2,855	2,855
<b>Total for 2021</b>	<b>30,585</b>	<b>30,585</b>
<b>Total for 2020</b>	<b>22,904</b>	<b>22,904</b>

#### **4 Income from charitable activities**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
The study and practice of music	31,382	31,382
<b>Total for 2021</b>	<b>31,382</b>	<b>31,382</b>
<b>Total for 2020</b>	<b>44,480</b>	<b>44,480</b>

**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**5 Income from other trading activities**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Trading income; Sales of goods and services	4,929	4,929
<b>Total for 2021</b>	<u>4,929</u>	<u>4,929</u>
<b>Total for 2020</b>	<u>10,361</u>	<u>10,361</u>

**6 Investment income**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Other income from fixed asset investments	620	620
<b>Total for 2021</b>	<u>620</u>	<u>620</u>
<b>Total for 2020</b>	<u>608</u>	<u>608</u>

**7 Expenditure on raising funds**

**a) Costs of trading activities**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Costs of goods sold	4,675	4,675
<b>Total for 2021</b>	<u>4,675</u>	<u>4,675</u>
<b>Total for 2020</b>	<u>6,992</u>	<u>6,992</u>

**Dorset Rural Music School Limited**

**known as Dorset Rural Music School**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**8 Expenditure on charitable activities**

		<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
The study and practice of music		18,447	-	18,447
Depreciation, amortisation and other similar costs		700	-	700
Staff costs		32,619	-	32,619
Allocated support costs	9	2,982	-	2,982
Governance costs	9	3,506	-	3,506
<b>Total for 2021</b>		<b>58,254</b>	<b>-</b>	<b>58,254</b>
<b>Total for 2020</b>		<b>72,329</b>	<b>229</b>	<b>72,558</b>

**Dorset Rural Music School Limited**

**known as Dorset Rural Music School**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**9 Analysis of governance and support costs**

**Charitable activities expenditure**

	<b>Unrestricted funds General £</b>	<b>Total 2021 £</b>
Staff welfare costs	117	117
Repairs and renewals	46	46
Telephone and internet	937	937
Computer software and maintenance costs	487	487
Printing, postage and stationery	84	84
Cleaning	1,168	1,168
Bank charges	143	143
	<u>2,982</u>	<u>2,982</u>

	<b>Unrestricted funds General £</b>	<b>Total 2020 £</b>
Staff welfare costs	125	125
Repairs and renewals	121	121
Telephone and internet	1,659	1,659
Computer software and maintenance costs	810	810
Printing, postage and stationery	237	237
Cleaning	1,810	1,810
Bank charges	158	158
	<u>4,920</u>	<u>4,920</u>

**Governance costs**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Independent examiner fees		
Examination of the financial statements	3,293	3,293
Other governance costs	213	213
<b>Total for 2021</b>	<u>3,506</u>	<u>3,506</u>
<b>Total for 2020</b>	<u>3,158</u>	<u>3,158</u>

# **Dorset Rural Music School Limited**

## **known as Dorset Rural Music School**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **10 Government grants**

Job Retention Scheme

The amount of grants recognised in the financial statements was £21,848 (2020 - £15,415).

#### **11 Net incoming/outgoing resources**

Net incoming/(outgoing) resources for the year include:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Loss on disposal of fixed assets held for the charity's own use	-	152
Depreciation of fixed assets	700	777

#### **12 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### **13 Staff costs**

The aggregate payroll costs were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	32,619	40,970

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2021</b>	<b>2020</b>
	<b>No</b>	<b>No</b>
Musical director	1	1
Senior manager	1	1
Music teachers	1	2
	3	4

No employee received emoluments of more than £60,000 during the year.



**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**14 Independent examiner's remuneration**

	2021 £	2020 £
Examination of the financial statements	<u>3,293</u>	<u>3,060</u>

**15 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

**16 Tangible fixed assets**

	Land and buildings £	Instruments and equipment £	Total £
<b>Cost</b>			
At 1 September 2020	<u>5,563</u>	<u>34,461</u>	<u>40,024</u>
At 31 August 2021	<u>5,563</u>	<u>34,461</u>	<u>40,024</u>
<b>Depreciation</b>			
At 1 September 2020	-	26,314	26,314
Charge for the year	<u>-</u>	<u>699</u>	<u>699</u>
At 31 August 2021	<u>-</u>	<u>27,013</u>	<u>27,013</u>
<b>Net book value</b>			
At 31 August 2021	<u>5,563</u>	<u>7,448</u>	<u>13,011</u>
At 31 August 2020	<u>5,563</u>	<u>8,147</u>	<u>13,710</u>

**Dorset Rural Music School Limited**  
**known as Dorset Rural Music School**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**17 Fixed asset investments**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Unlisted investments	<u>23,838</u>	<u>20,251</u>
		<b>Total</b> <b>£</b>
<b>Cost or Valuation</b>		
At 1 September 2020		20,251
Revaluation		<u>3,587</u>
At 31 August 2021		<u>23,838</u>
<b>Net book value</b>		
At 31 August 2021		<u>23,838</u>
At 31 August 2020		<u>20,251</u>

**18 Stock**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Stocks	<u>6,454</u>	<u>7,774</u>

**19 Debtors**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Trade debtors	1,153	4,048
Prepayments	805	1,199
Other debtors	<u>868</u>	<u>200</u>
	<u>2,826</u>	<u>5,447</u>

**20 Cash and cash equivalents**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
Cash on hand	12	138
Cash at bank	<u>16,810</u>	<u>12,845</u>
	<u>16,822</u>	<u>12,983</u>

# Dorset Rural Music School Limited

## known as Dorset Rural Music School

### Notes to the Financial Statements for the Year Ended 31 August 2021

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

	2021 £	2020 £
Trade creditors	-	1,557
Other loans	12,000	12,000
Other taxation and social security	-	1,814
Trustees current accounts	242	759
Accruals	3,000	4,500
	<u>15,242</u>	<u>20,630</u>

#### Other loans

Other loans comprise an interest free loan amounting to £12,000 from Dr R Hall (who was employed as Musical Director of the Charity until his retirement on 31 December 2021) to the School in furtherance of its charitable activities. The loan is repayable on demand.

#### 22 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>					
General	<u>39,535</u>	<u>67,516</u>	<u>(62,929)</u>	<u>3,587</u>	<u>47,709</u>

The general fund of the charity includes the sum of £10,291 (2020 £6,704) in respect of the revaluation of investments.

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>					
General	40,109	78,353	(79,321)	394	39,535
<b>Restricted funds</b>	<u>229</u>	<u>-</u>	<u>(229)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>40,338</u>	<u>78,353</u>	<u>(79,550)</u>	<u>394</u>	<u>39,535</u>

**Dorset Rural Music School Limited**

**known as Dorset Rural Music School**

**Notes to the Financial Statements for the Year Ended 31 August 2021**

**23 Related party transactions**

During the year the charity made the following related party transactions:

**Mrs J Newall**

(A trustee of the charity)

Was reimbursed £517 reducing the amount owed to her, for costs incurred at arms length during the year to 31 August 2020. At the balance sheet date the amount due to Mrs J Newall was £242 (2020 - £759).