

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 2023

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
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Reference and Administrative Details

Trustees	Mrs J Newall, Chairman Mr J H C Privett Miss A Ecclestone Mr J Goodman Mr M W Warren Dr R C Hall E R Bray Miss L J Martin Mr G Jones
Senior Management / Leadership Team	Ms E Marsden, Musical Director
Charity Registration Number	306231
Company Registration Number	00751458
Registered Office	The charity is incorporated in England and Wales. The Music School The Close Blandford Forum Dorset DT11 7HA
Independent Examiner	Harney & Co Limited Registered Auditor and Chartered Certified Accountant 21 Market Place Blandford Forum Dorset DT11 7AF

Dorset Rural Music School Limited
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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 2023.

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.

Public benefit

Teaching is our core activity where we offer flexibility to meet your musical needs. We are able, to provide group or individual tuition, at the Music School, in your home or via Zoom and we welcome all ages and abilities. In our ever, changing society our School continues to evolve offering Music Therapy and reaching out through community projects.

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

After the final Covid restrictions were lifted in the 2022 financial year, this has been the first year where full charitable activities could be resumed. With a shift in social factors, it has been difficult to maintain affordable tuition fees whilst covering the unavoidable and increasing costs to the charity. There has been a steady level of charitable income but, unfortunately this has not reached our pre pandemic levels.

We are however, pleased that the School has received grant funding, to enable the provision of some community projects, as we continue to research ideas and ways to reach the wider community.

Financial review

With the charity income at an all-time low, and increased running costs the School took the unprecedented decision to utilize a large proportion of its unrestricted reserves. At the year end the charity held an investment value of £1,900 as compared to £22,742 the previous year.

Dorset Rural Music School Limited
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Trustees' Report

Funds in deficit

Sadly the unrestricted general fund fell into deficit to the sum of £10,922. In order to mitigate the situation the charity has continued to look at ways in which to reduce its costs and increase income. Further grant applications have been made and the intentions are to increase awareness of the Music School's existence to a wider community of Dorset.

Going concern

The trustees consider that it is appropriate to prepare the financial statements on a going concern basis. The going concern assumption is based on the current financial position of the Music School, whereby a sponsor has been secured and has committed to a monthly donation of £2,500, a monthly bursary funding of £1,000 and up to £10,000 as an annual fund to match donations received by the Music School. Pupil numbers have also increased in the current financial year and therefore the School's charitable activity income has also increased.

In addition the Trustees continue to investigate opportunities to enhance the long term sustainability of the Music School and identify areas where the financial performance can be improved. As a result of these factors the Trustees consider the going concern basis is appropriate.

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, is the Musical Director whose rate of pay is reviewed by the Trustees, whom themselves receive no remuneration.

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. 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.

Dorset Rural Music School Limited
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Trustees' Report

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 £2,718 (2022 £2,771) at the balance sheet date.

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.

Dorset Rural Music School Limited
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Trustees' Report

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 the incoming resources and application of resources, including its income and expenditure, of the charitable company 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 accounting standards, comprising FRS 102 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 proper accounting records that can 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 trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 24 June 2024 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 2023.

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.



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

21 Market Place
Blandford Forum
Dorset
DT11 7AF

24 June 2024

Dorset Rural Music School Limited

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**Statement of Financial Activities for the Year Ended 31 August 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted £	Restricted £	2023 £	2022 £
Income and Endowments from:					
Donations and legacies	3	3,036	3,700	6,736	39,792
Charitable activities	4	47,983	-	47,983	45,159
Other trading activities	5	3,321	-	3,321	5,770
Investment income	6	498	-	498	640
Other income	7	-	-	-	50
Total income		<u>54,838</u>	<u>3,700</u>	<u>58,538</u>	<u>91,411</u>
Expenditure on:					
Raising funds	8	(2,445)	-	(2,445)	(4,450)
Charitable activities	9	<u>(88,267)</u>	<u>(3,090)</u>	<u>(91,357)</u>	<u>(98,793)</u>
Total expenditure		(90,712)	(3,090)	(93,802)	(103,243)
Gains/losses on investment assets		<u>(891)</u>	<u>-</u>	<u>(891)</u>	<u>(1,095)</u>
Net (expenditure)/income		<u>(36,765)</u>	<u>610</u>	<u>(36,155)</u>	<u>(12,927)</u>
Net movement in funds		(36,765)	610	(36,155)	(12,927)
Reconciliation of funds					
Total funds brought forward		<u>25,843</u>	<u>8,939</u>	<u>34,782</u>	<u>47,709</u>
Total funds carried forward	23	<u>(10,922)</u>	<u>9,549</u>	<u>(1,373)</u>	<u>34,782</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 23.

The notes on pages 10 to 24 form an integral part of these financial statements.

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Dorset Rural Music School Limited
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(Registration number: 00751458)
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	17	12,536	13,183
Investments	18	1,900	22,743
		<u>14,436</u>	<u>35,926</u>
Current assets			
Stocks	19	6,321	6,345
Debtors	20	8,861	7,181
Cash at bank and in hand	21	1,647	5,280
		16,829	18,806
Creditors: Amounts falling due within one year	22	<u>(32,638)</u>	<u>(19,950)</u>
Net current liabilities		<u>(15,809)</u>	<u>(1,144)</u>
Net (liabilities)/assets		<u>(1,373)</u>	<u>34,782</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		9,549	8,939
Unrestricted income funds			
Unrestricted funds		<u>(10,922)</u>	<u>25,843</u>
Total funds	23	<u>(1,373)</u>	<u>34,782</u>

For the financial year ending 31 August 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 10 to 24 form an integral part of these financial statements.

Dorset Rural Music School Limited
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(Registration number: 00751458)
Balance Sheet as at 31 August 2023

The financial statements on pages 7 to 24 were approved by the trustees, and authorised for issue on 24 June 2024 and signed on their behalf by:



.....
Mrs J Newall
Trustee

The notes on pages 10 to 24 form an integral part of these financial statements.

Dorset Rural Music School Limited

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Notes to the Financial Statements for the Year Ended 31 August 2023

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

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Notes to the Financial Statements for the Year Ended 31 August 2023

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 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.

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Notes to the Financial Statements for the Year Ended 31 August 2023

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:

Asset class	Depreciation method and rate
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

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Notes to the Financial Statements for the Year Ended 31 August 2023

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.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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.

Dorset Rural Music School Limited
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Notes to the Financial Statements for the Year Ended 31 August 2023

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.

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

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Donations from individuals	2,297	-	2,297
Grants, including capital grants;			
Government grants	-	1,750	1,750
Grants from other charities	-	950	950
Grants from companies	-	1,000	1,000
Donations from community groups	79	-	79
Regular giving and capital donations	660	-	660
Total for 2023	3,036	3,700	6,736
Total for 2022	7,542	32,250	39,792

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Notes to the Financial Statements for the Year Ended 31 August 2023

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
The study and practice of music	<u>47,983</u>	<u>47,983</u>
Total for 2023	<u><u>47,983</u></u>	<u><u>47,983</u></u>
Total for 2022	<u><u>45,159</u></u>	<u><u>45,159</u></u>

Dorset Rural Music School Limited
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Notes to the Financial Statements for the Year Ended 31 August 2023

5 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Sales of goods and services	2,711	2,711
Events income;		
Other events income	610	610
Total for 2023	<u>3,321</u>	<u>3,321</u>
Total for 2022	<u>5,770</u>	<u>5,770</u>

6 Investment income

	Unrestricted funds General £	Total funds £
Other investment income	498	498
Total for 2023	<u>498</u>	<u>498</u>
Total for 2022	<u>640</u>	<u>640</u>

7 Other income

	Unrestricted funds General £	Total funds £
Total for 2022	<u>50</u>	<u>50</u>

Dorset Rural Music School Limited
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Notes to the Financial Statements for the Year Ended 31 August 2023

8 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		2,445	2,445
Total for 2023		<u>2,445</u>	<u>2,445</u>
Total for 2022		<u>4,450</u>	<u>4,450</u>

9 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
The study and practice of music		47,495	-	47,495
Depreciation, amortisation and other similar costs		647	-	647
Staff costs		31,317	-	31,317
Allocated support costs	10	1,858	3,090	4,948
Governance costs	10	6,950	-	6,950
Total for 2023		<u>88,267</u>	<u>3,090</u>	<u>91,357</u>
Total for 2022		<u>75,482</u>	<u>23,311</u>	<u>98,793</u>

Dorset Rural Music School Limited

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Notes to the Financial Statements for the Year Ended 31 August 2023

10 Analysis of governance and support costs

Charitable activities expenditure

	Unrestricted funds General £	Restricted funds £	Total 2023 £
Staff welfare costs	9	-	9
Repairs and renewals	69	-	69
Telephone and internet	671	-	671
Computer software and maintenance costs	715	2,340	3,055
Printing, postage and stationery	215	-	215
Bank Charges	179	-	179
Consultancy	-	750	750
	<u>1,858</u>	<u>3,090</u>	<u>4,948</u>

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Staff welfare costs	14	-	14
Repairs and renewals	89	-	89
Telephone and internet	2,051	-	2,051
Computer software and maintenance costs	423	2,151	2,574
Printing, postage and stationery	225	-	225
Cleaning	945	-	945
Bank Charges	205	-	205
Consultancy	-	21,160	21,160
	<u>3,952</u>	<u>23,311</u>	<u>27,263</u>

Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Examination of the financial statements	3,300	3,300
Other fees paid to examiners	3,600	3,600
Other governance costs	50	50
Total for 2023	<u>6,950</u>	<u>6,950</u>
Total for 2022	<u>4,033</u>	<u>4,033</u>

Dorset Rural Music School Limited

known as Dorset Rural Music School

Notes to the Financial Statements for the Year Ended 31 August 2023

11 Government grants

The charity has been in receipt of a Dorset Council Grant during the year for Arts and Culture. In 2022 the charity received two Dorset Council Grants during the year, a Hospitality Grant and a Business Recovery Grant.

The amount of grants recognised in the financial statements was £1,750 (2022 - £32,167).

12 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2023	2022
	£	£
Depreciation of fixed assets	<u>647</u>	<u>719</u>

13 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Dr R C Hall

Who was appointed as a trustee on 11 December 2022, received £1,612 during the year as a freelance music tutor.

Miss L J Martin

Miss L J Martin received remuneration of £2,964 (2022: £10,241) during the year.

Between September 2022 and March 2023, when her employment ceased, Miss L J Martin had been employed as an administrative assistant by the charity. On 23 December 2022 Miss L J Martin was appointed as a trustee and continued as a freelance music tutor also receiving £4,203 in this respect during the year.

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14 Staff costs

The aggregate payroll costs were as follows:

	2023	2022
	£	£
Staff costs during the year were:		
Wages and salaries	31,047	28,901
Pension costs	270	-
	<u>31,317</u>	<u>28,901</u>

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:

	2023	2022
	No	No
Musical director	1	1
Office administrator	1	1
Music teachers	-	1
	<u>2</u>	<u>3</u>

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

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Notes to the Financial Statements for the Year Ended 31 August 2023

15 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>3,300</u>	<u>4,020</u>
Other fees to examiners		
All other services	<u>3,600</u>	<u>-</u>

16 Taxation

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

17 Tangible fixed assets

	Land and buildings £	Instruments and equipment £	Total £
Cost			
At 1 September 2022	<u>5,563</u>	<u>35,352</u>	<u>40,915</u>
At 31 August 2023	<u>5,563</u>	<u>35,352</u>	<u>40,915</u>
Depreciation			
At 1 September 2022	-	27,732	27,732
Charge for the year	-	<u>647</u>	<u>647</u>
At 31 August 2023	-	<u>28,379</u>	<u>28,379</u>
Net book value			
At 31 August 2023	<u>5,563</u>	<u>6,973</u>	<u>12,536</u>
At 31 August 2022	<u>5,563</u>	<u>7,620</u>	<u>13,183</u>

18 Fixed asset investments

	2023 £	2022 £
Unlisted investments	<u>1,900</u>	<u>22,743</u>

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Notes to the Financial Statements for the Year Ended 31 August 2023

	Total £
Cost or Valuation	
At 1 September 2022	22,743
Revaluation	(891)
Disposals	<u>(19,952)</u>
At 31 August 2023	<u>1,900</u>
Net book value	
At 31 August 2023	<u>1,900</u>
At 31 August 2022	<u>22,743</u>

19 Stock

	2023 £	2022 £
Stocks	<u>6,321</u>	<u>6,345</u>

20 Debtors

	2023 £	2022 £
Trade debtors	769	2,194
Prepayments	-	1,167
Other debtors	<u>8,092</u>	<u>3,820</u>
	<u>8,861</u>	<u>7,181</u>

21 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	10	2
Cash at bank	<u>1,637</u>	<u>5,278</u>
	<u>1,647</u>	<u>5,280</u>

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Notes to the Financial Statements for the Year Ended 31 August 2023

22 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	5,661	7
Other loans	12,000	12,000
Other taxation and social security	465	-
Trustees current accounts	-	242
Other creditors	7,912	3,661
Accruals	6,600	4,040
	<u>32,638</u>	<u>19,950</u>

Other loans

Other loans comprise an interest free loan amounting to £12,000 from Dr R Hall to the School in furtherance of its charitable activities. The loan is repayable on demand. Dr R Hall was employed as Musical Director until his retirement from this position in December 2021 when he was appointed a Trustee of the Charity.

23 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2023 £
Unrestricted funds					
<i>General</i>					
General Funds	25,843	54,340	(86,842)	(891)	(7,550)
Restricted funds					
Business Resilience Fund	6,189	-	(3,090)	-	3,099
D'Oyly Carte Fund	2,750	-	-	-	2,750
Craft Union - Press Pause Fund	-	1,000	-	-	1,000
Dorset Council - Arts and Culture Fund	-	1,750	-	-	1,750
Nature Heals Fund	-	950	-	-	950
	<u>8,939</u>	<u>3,700</u>	<u>(3,090)</u>	<u>-</u>	<u>9,549</u>
Total funds	<u>34,782</u>	<u>58,040</u>	<u>(89,932)</u>	<u>(891)</u>	<u>1,999</u>

The general fund of the charity includes the sum of £729 (2022 £9,196) in respect of the revaluation of investments.

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Notes to the Financial Statements for the Year Ended 31 August 2023

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2022 £
Unrestricted funds					
<i>General</i>					
General Funds	47,709	58,521	(79,932)	(1,095)	25,203
Restricted funds					
Business Resilience Fund	-	29,500	(23,311)	-	6,189
D'Oyly Carte Fund	-	2,750	-	-	2,750
	<u>-</u>	<u>32,250</u>	<u>(23,311)</u>	<u>-</u>	<u>8,939</u>
Total funds	<u>47,709</u>	<u>90,771</u>	<u>(103,243)</u>	<u>(1,095)</u>	<u>34,142</u>

The specific purposes for which the funds are to be applied are as follows:

The Business Resilience Fund received from Dorset Council has enabled the charity to actively seek professional advice and implement new strategies to promote and move the school forward in our ever changing society.

Whilst the remaining restricted funds have been awarded for the provision of community projects, promoting the benefits of music and song to a wider audience.

24 Related party transactions

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

Mrs J Newall

(A trustee of the charity)

At the balance sheet date the amount due to/from to Mrs J Newall was £Nil (2022 - £242).