

# BENSLOW MUSIC INSTRUMENT LOAN SCHEME

England & Wales · Charity number 313755

## Details

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Other names	BENSLOW MUSICAL INSTRUMENT LOAN SCHEME, THE VIOLIN LOAN SCHEME
Status	Registered
Legal form	Trust
Registered	1962-09-26
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	Benslow Music Ibberson Way Hitchin SG4 9RB
Phone	01462459446
Email	<a href="mailto:enquiries@benslowmusic-ils.org">enquiries@benslowmusic-ils.org</a>
Website	<a href="http://www.benslowmusic-ils.org">www.benslowmusic-ils.org</a>

## Activities

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**Objects:** FOR SUCH CHARITABLE PURPOSES BEING FOR THE ADVANCEMENT OF MUSICAL EDUCATION AS THEY SHALL IN THEIR DISCRETION THINK FIT.

**Activities:** The objects of the Benslow Music Instrument Loan Scheme are to lend good quality instruments to promising young music students who are unable to afford or obtain a suitable instrument of their own.

## Classification

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- **How:** Provides Services
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People

## Geography

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- Isle Of Man
- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£525,689	£283,863	£3,533,776	3
2023-12-31	£359,065	£242,364	-	-
2022-12-31	£453,478	£214,420	-	-
2021-12-31	£325,405	£174,509	-	-
2020-12-31	£256,069	£198,655	-	-

## Trustees

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Name	Role	Appointed
BENSLOW MUSIC TRUST		

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

England & Wales - Charity number 313755

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# Accounts

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**REGISTERED CHARITY NUMBER: 313755**

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**FOR**  
**BENSILOW MUSIC INSTRUMENT LOAN SCHEME**

**BENSILOW MUSIC INSTRUMENT LOAN SCHEME**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 6
<b>Trustees' Responsibility Statement</b>	7
<b>Report of the Independent Auditors</b>	8 to 10
<b>Statement of Financial Activities</b>	11
<b>Statement of Financial Position</b>	12
<b>Statement of Cash Flows</b>	13
<b>Notes to the Statement of Cash Flows</b>	14
<b>Notes to the Financial Statements</b>	15 to 22

## **BENSLow MUSIC INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 DECEMBER 2024**

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2024. The trustee has adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

Benslow Music Instrument Loan Scheme's charitable objects, as set out in its governing document, are 'to lend good quality instruments to promising young music students who are unable to afford or obtain a suitable instrument of their own'.

##### **Main activities**

The charity achieves its objectives principally through a rolling programme of loaning instruments to young musicians (aged 7-25). This incorporates maintaining a collection of around 850 instruments, mainly string instruments as well as a smaller number of harps, woodwind and brass instruments. Where appropriate, bursaries are made available to borrowers whose families otherwise may not be able to meet the loan fees.

Additionally, the charity offers a programme for senior borrowers, offering young musicians an extended loan to age 30 as they navigate the financial and logistical difficulties faced by young professional musicians. The organisation also produces a small number of concerts at Benslow Music to showcase current and alumni instrument borrowers.

##### **Public benefit**

The Trustee confirms that it has complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Public benefit is derived from the programme of instruments loans, which is managed through open applications. As families continue to face pressure on finances, and there are ongoing funding challenges in music education, access to low-cost, high-quality instruments can have a significant beneficial impact on young musicians' development. The charity continues to offer bursaries to borrowers from lower socio-economic backgrounds to broaden the reach of its activity and benefit.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Achievement and performance**

2024 was a period of consolidation for the scheme. This year saw the number of young people borrowing an instrument remain steady, starting the year with 537 and finishing with 538 at the end of the year. This included 87 new borrowers joining and 86 borrowers leaving the scheme. Across the year the scheme awarded bursaries to 145 borrowers, offering 20% off the cost of loaning an instrument from the scheme to young people from families with a total household income of less than £50,000.

During the year the Scheme also acquired 87 new instruments and 98 bows via donations, purchases and loans (106 donations, 31 purchases and 48 loans). 14 instruments were also withdrawn during the year, making a net gain of 73 to the Scheme's collection. The instruments added to the scheme included a number of high-quality cellos purchased with funds previously generously donated to the Scheme.

The annual service charge, designed to ensure that the requirement to have loaned instruments serviced annually is being followed, continued to be rolled out throughout the year as borrowers renewed loans or joined the scheme. This has been supported through developing relationship with a network of luthiers across the country to provide instrument servicing to borrowers who are not within reasonable distance of the Scheme's workshop.

## BENSLow MUSIC INSTRUMENT LOAN SCHEME

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

A new partnership with the Music in Secondary Schools Trust began pilot activity in 2024. The aim is to work together to support young people from different backgrounds in their musical education. This saw the Scheme loan instruments to young players at Central Foundation School in London.

The Scheme also took time to focus on its business systems and processes during the year. In a project that will culminate in 2025, a new instrument database and customer relationship management system is being implemented to aid efficiency that will ultimately help the scheme continue to grow its number of beneficiaries. This was complemented by purchasing additional technology to allow for instrumental teachers to join appointments remotely where needed.

Opportunities were given to current and former borrowers to perform as part of Benslow Music's afternoon recital series. These concerts attracted good attendee numbers and provided an opportunity to showcase the work of the Scheme to local audiences.

#### **Fundraising performance**

Donations and grants for the year totalled £84,033, an increase of 76% from 2023. This included £3,745 through the Friends of BMILS giving scheme, £27,100 in general donations, legacies of £40,000, and the second grant from the Scops Arts Trust of £5,000, part of a three-year arrangement towards the Scheme's bursary fund.

#### **FINANCIAL REVIEW**

##### **Financial position**

##### **Income and Expenditure**

The result for the year was an overall surplus of £634,253 on the Scheme's unrestricted funds. Within this there was an operational position (excluding voluntary and in-kind income and bursaries allocated) of £9,200 surplus.

The budget approved by the Governors was prepared on the basis of a £6,100 operational surplus on the year. This assumed that the scheme would continue to attract a similar number of borrowers to 2023 and that borrowing fees would remain at current levels. While this was the case, operational income and expenditure grew 22% and 21% higher than budgeted respectively.

	2024		2023	
Analysis of income source				
Instrument loan fees	£192,042	37%	£173,344	47%
Income in kind*	£225,080	43%	£139,128	38%
Voluntary income	£84,033	16%	£22,328	6%
Bank & Investment income	£14,184	3%	£4,794	1%
Miscellaneous income**	£6,350	1%	£8,870	2%
Instrument sales	£4,000	1%	£16,282	4%
Insurance commission	£0	0%	£2,800	1%
	£525,689		£367,546	

\* Income in kind represents the value of instruments donated to the Scheme.

\*\* Miscellaneous income represents income from sources such as insurance claims.

Expenditure across the year was against cost running the Scheme, including the maintenance and care of the instrument collection and the allocation of bursaries to individuals from lower socio-economic backgrounds. The amount spent on bursaries in 2024 was £29,914, an increase of 42% on 2023. All of this activity is in service of the charitable objectives.

The monthly budget process, including cash flow reports, continued to be used to inform managers, Governors and the Trustee of the latest financial position. The Trustee maintains a strong financial policy and robust financial controls to comply with latest guidance from the Charity Commission.

## **BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

The reserves policy of the Scheme is to build and maintain equivalent to six months of operating expenditure as a minimum secure level. This is held to ensure long term security for the Scheme in the event of future deficits, or unexpected events that result in loss of income.

The unrestricted reserve funds at year end were £3,439,378. Of this, £3,187,393 is held as tangible assets, including the leasehold on the Scheme's office and workshop (Aston Building), musical instruments cases and office equipment, as well as the musical instrument collection held as a designated Musical Instrument Fund (£2,576,649). Additional designated funds held are:

- Aston Development Fund (£76,136) for the purpose of the organisational development of the Scheme. The fund will continue to be drawn down in 2025.
- Parker Instrument Fund (£18,262) for the purpose of purchasing high-quality cellos to expand the instrument collection. This will be drawn down in 2025.

After taking into account funds held as restricted, designated and fixed assets, the Scheme holds £251,985 of free reserves, exceeding its target by 78%. The surplus in reserves will be reinvested into the development and maintenance of the instrument collection.

##### **Going concern**

The Trustee considers that it is appropriate to prepare the accounts on a going concern basis. The Scheme's reserves are at an appropriate level, and the growth of income from core activity of instrument loans from 2022 to 2023 demonstrates that there is still demand for the Scheme's activities.

##### **FUTURE PLANS**

The Scheme's plans for 2025 will focus on development and growth. The review of the digital systems is expected to be completed, improving efficiency and increasing the Scheme's capacity for borrower appointments, which in turn will help to grow the Scheme.

The Scheme will also review some of its operations alongside that of the Trustee to help improve effective and to reduce operational burden on the Scheme in areas of shared administration, such as marketing and fundraising.

Continued development of the instrument collection remains a priority, with plans to invest in both full size and fractional sized instruments, driven by current demand. In addition, further exploration of the Scheme woodwind collection is expected.

The Scheme also hosted an Open Day in spring 2025 to build relationships with current and potential instruments donors, lenders and borrowers, as well as alumni of the Scheme. It was also an opportunity to showcase new instrument acquisitions.

## BENLOW MUSIC INSTRUMENT LOAN SCHEME

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

Benslow Music Instrument Loan Scheme is an unincorporated trust registered as a charity, with Benslow Music Trust as its sole corporate trustee. It is governed by a Trust Deed, most recently amended in June 2022.

The trustees of Benslow Music Trust appoint a Committee of Governors annually. The membership of the committee must contain a majority of Benslow Music Trust trustees. Additional Governors may be appointed from beyond the trustee body and are not required to be members of Benslow Music Trust. The Governors elect their own Chair, who must also be a trustee of Benslow Music Trust.

Between 29 June and 23 November 2024, the trustees of Benslow Music Trust elected to suspend the requirement for trustees to form a majority of the Governors' Committee while Benslow Music Trust underwent a recruitment and induction process for its own trustees. This was reinstated on 23 November 2024 with the appointment of new Governors.

Benslow Music Trust retains ultimate responsibility for the scheme, including policy setting and risk management, with Governors being delegated the responsibility for overseeing strategic direction, ensuring all activity supports the Scheme's objectives, some elements of risk management, and approving annual budgets.

Benslow Music Trust appoints senior staff led by the Chief Executive of Benslow Music Trust. A Head of Benslow Music Instrument Loan Scheme, oversees the day-to-day operation of the Scheme, reporting to the Chief Executive and supported by other Benslow Music Trust staff in communications, fundraising and financial management.

All Governors give their time voluntarily and receive no remuneration other than reasonable expenses to enable their participation as Governor. No expenses were given to Governors in 2024.

##### **Key management remuneration**

The remuneration of all members of staff is reviewed annually by Benslow Music Trust's board of trustees, following report from its Remuneration Committee. Staff are appraised annually by line managers; their recommendations are considered alongside details of movement in standard indices prepared by the Office of National Statistics including CPI, CPIH, RPI, National Living Wage and average earnings.

##### **Related parties**

Benslow Music Trust (Registered Charity No. 313663) took on responsibility for the Scheme as its sole corporate trustee when it incorporated in 1986. The Scheme has premises on the Benslow Music campus and pays an annual management charge to Benslow Music Trust for the cost of utilities, services and staff time.

The Scheme is part of a group operating as Benslow Music. Alongside Benslow Music Trust this includes Benslow Music Enterprises Limited (Registered Company 10967344), a wholly owned subsidiary which manages Benslow Music Trust's non-charitable trading activity.

##### **Risk management**

In its duty to manage the Scheme's exposure to risk, the Trustee annually reviews its risk management policy and regular review key risks, maintaining a risk register. The senior management team support in developing plans and control measures to provide reasonable mitigation.

As the UK continues to face a challenges to the cost of living, the principal risk to the scheme is diminishing demand for its services as families face increasing financial pressures. This has been accounted for by raising the threshold for bursaries to ensure that the Scheme remains accessible to individuals from varying socio-economic backgrounds.

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Name** Benslow Music Instrument Loan Scheme

**Registered Charity** 313755

**Principal address** Benslow Music, Benslow Lane, Hitchin, SG4 9RB

**Trustee** Benslow Music Trust (Registered Company Number: 408404) (Registered Charity Number: 313663)

**Benslow Music Trust Board of Trustees at 31 December 2024**

Andy Baruch (resigned 29 June 2024)

Colin Bates

Andrew Blankfield (resigned 29 June 2024)

Ellen Falconer (appointed 14 September 2024)

Tim Gillott (Vice-Chair)

Katy Hamilton (resigned 29 June 2024)

Norma King

Heidi Malaure (Chair) (appointed 14 September 2024)

Philip Meaden (Chair) (resigned 29 June 2024)

Alessandra Mongiardino (appointed 14 September 2024)

Peter Neville (resigned 29 June 2024)

Gwen Owen Robinson

Alan Sheppard (appointed 14 September 2024)

Bhagwant Singh (Honorary Treasurer)

Michael Taylor (Vice-Chair)

Mark Bowen (Honorary Secretary)

**Governors of Loan Scheme**

Andrew Blankfield (resigned 29 June 2024)

Rosalind Hedley-Miller

Norma King

Joely Koos

Peter Neville (Chair) (resigned 29 June 2024)

Gwen Owen Robinson (appointed 23 November 2024)

Alan Sheppard (appointed 23 November 2024)

Sandra Saunders

Michael Taylor (Chair)

**Senior Staff**

Chief Executive: Michael Duffy

Head of BMILS: Nick Evans-Pughe

**Auditors** Bradshaw Johnson Chartered Accountants Statutory Auditor, Croft Chambers, 11 Bancroft, Hitchin, Hertfordshire, SG5 1JQ

**Bankers** Barclays Bank plc, 5/6 High Street, Hitchin, SG5 1BJ

**Financial Advisers** CCLA Investment Management Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

**BENLOW MUSIC INSTRUMENT LOAN SCHEME**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

Approved by order of the board of trustees on 26 April 2025 and signed on its behalf by:



.....  
Trustee - M Taylor

**BENSLow MUSIC INSTRUMENT LOAN SCHEME**

**TRUSTEES' RESPONSIBILITY STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**Opinion**

We have audited the financial statements of Benslow Music Instrument Loan Scheme (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements;
- or
- sufficient accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

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 about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework 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 Charity Commission; 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.

We discussed among the audit engagement team including relevant internal specialists such as tax specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF  
BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

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 and external legal counsel 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 audit reports and reviewing correspondence with HMRC.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Bradshaw Johnson*

Bradshaw Johnson  
Chartered Accountants  
Statutory Auditor  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

Date: 30-6-25

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	313,113	-	313,113	161,457
Other trading activities	3	14,184	-	14,184	4,794
Other income		<u>198,392</u>	<u>-</u>	<u>198,392</u>	<u>185,019</u>
<b>Total</b>		<u>525,689</u>	<u>-</u>	<u>525,689</u>	<u>351,270</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Benslow Musical Instrument Loan Scheme	4	<u>227,347</u>	<u>56,516</u>	<u>283,863</u>	<u>242,364</u>
Net gains on investments		<u>335,911</u>	<u>-</u>	<u>335,911</u>	<u>7,795</u>
<b>NET INCOME/(EXPENDITURE)</b>					
Transfers between funds	12	634,253	(56,516)	577,737	116,701
		<u>49,086</u>	<u>(49,086)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>683,339</u>	<u>(105,602)</u>	<u>577,737</u>	<u>116,701</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>2,756,039</u>	<u>200,000</u>	<u>2,956,039</u>	<u>2,839,338</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>3,439,378</u>	<u>94,398</u>	<u>3,533,776</u>	<u>2,956,039</u>

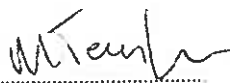
The notes form part of these financial statements

**BENSILOW MUSIC INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted funds £	31.12.24 Total funds £	31.12.23 Total funds as restated £
<b>FIXED ASSETS</b>					
Tangible assets	9	3,187,957	-	3,187,957	2,566,784
<b>CURRENT ASSETS</b>					
Debtors	10	79,349	-	79,349	85,638
Cash at bank		<u>293,548</u>	<u>94,398</u>	<u>387,946</u>	<u>404,833</u>
		372,897	94,398	467,295	490,471
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>(121,476)</u>	-	<u>(121,476)</u>	<u>(101,216)</u>
<b>NET CURRENT ASSETS</b>		<u>251,421</u>	<u>94,398</u>	<u>345,819</u>	<u>389,255</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,439,378</u>	<u>94,398</u>	<u>3,533,776</u>	<u>2,956,039</u>
<b>NET ASSETS</b>		<u>3,439,378</u>	<u>94,398</u>	<u>3,533,776</u>	<u>2,956,039</u>
<b>FUNDS</b>	12				
Unrestricted funds:					
General fund				862,729	815,128
Designated fund - Musical Instruments				<u>2,576,649</u>	<u>1,940,911</u>
				<u>3,439,378</u>	<u>2,756,039</u>
Restricted funds:					
Aston Development Fund				76,136	100,000
Parker Instrument Fund				<u>18,262</u>	<u>100,000</u>
				<u>94,398</u>	<u>200,000</u>
<b>TOTAL FUNDS</b>				<u>3,533,776</u>	<u>2,956,039</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 26 April 2025 and were signed on its behalf by:

  
 Trustee - M Taylor

The notes form part of these financial statements

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

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

	Notes	31.12.24 £	31.12.23 as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	I	<u>288,755</u>	<u>151,772</u>
Net cash provided by operating activities		<u>288,755</u>	<u>151,772</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(316,542)	(139,994)
Sale of tangible fixed assets		16,048	48,400
Sale of heritage assets		<u>(5,148)</u>	<u>(31,916)</u>
Net cash used in investing activities		<u>(305,642)</u>	<u>(123,510)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period		(16,887)	28,262
Cash and cash equivalents at the end of the reporting period		<u>404,833</u>	<u>376,571</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>387,946</u>	<u>404,833</u>

The notes form part of these financial statements

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

<b>1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	31.12.24	31.12.23 as restated
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	577,737	116,701
<b>Adjustments for:</b>		
Depreciation charges	15,232	15,119
Gain on investments	(335,911)	(7,795)
Loss on disposal of fixed assets	5,148	31,916
Decrease/(increase) in debtors	6,289	(22,031)
Increase in creditors	<u>20,260</u>	<u>17,862</u>
<b>Net cash provided by operations</b>	<u>288,755</u>	<u>151,772</u>

<b>2. ANALYSIS OF CHANGES IN NET FUNDS</b>	At 1.1.24	Cash flow	At 31.12.24
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>404,833</u>	<u>(16,887)</u>	<u>387,946</u>
	<u>404,833</u>	<u>(16,887)</u>	<u>387,946</u>
<b>Total</b>	<u>404,833</u>	<u>(16,887)</u>	<u>387,946</u>

The notes form part of these financial statements

**BENSILOW MUSIC INSTRUMENT LOAN SCHEME**

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

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Benslow Musical Instrument Loan Scheme meets the definition of a public benefit entity under FRS 102.

**Income**

Income is included in the Statement of Financial Activities when:

- the Scheme becomes entitled to the donation, legacy or similar income and any conditions for receipt are met;
- the Scheme is virtually certain that it will receive it; and
- the Scheme is reasonably certain that the value can be reliably measured.

Donated instruments are included in the accounts in the year in which the instrument is received. The Scheme's policy is only to dispose of instruments where they are unsuitable for the Scheme's objectives.

Income from tax claims is included in the accounts at the same time as the gift to which it relates. Income from legacies is included when the Scheme has been notified of an impending distribution or the legacy being received.

Administration charges (from lending instruments) represent amounts invoiced in the year for the rental of musical instruments.

All income is stated gross and is wholly derived in the United Kingdom.

**Expenditure**

Expenditure is recognised in the year in which it is incurred.

Charitable expenditure comprises those costs incurred by the Scheme 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 to support them. This includes those incurred in connection with administration of the Scheme and compliance with constitutional and statutory requirements.

**Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Minor additions of less than £50 are not capitalised.

Musical Instruments donated to the Scheme are initially valued professionally and included on that basis. Instruments purchased are included at cost. The individual values of all instruments are continuously reviewed on a rolling basis - primarily for insurance purposes - and adjustments made where necessary.

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

Freehold property	- 2% straight line
Musical Instruments	- Not depreciated
Instrument cases and equipment	- 10% straight line
Office equipment	- 20% straight line

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is not provided on musical instruments individually but an annual adjustment is made to reflect value changes arising from reviews during the year and acquisitions and disposals. A view is also taken at the time of the overall reserve provided against the aggregate musical instrument stock valuation (see Note 6).

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Scheme and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Scheme for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. DONATIONS AND LEGACIES**

	31.12.24	31.12.23 as restated
	£	£
Donations	84,033	22,329
Instruments donated	<u>229,080</u>	<u>139,128</u>
	<u>313,113</u>	<u>161,457</u>

**3. OTHER TRADING ACTIVITIES**

	31.12.24	31.12.23 as restated
	£	£
Deposit account interest	<u>14,184</u>	<u>4,794</u>

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £
Benslow Musical Instrument Loan Scheme	<u>283,863</u>

**5. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**6. STAFF COSTS**

	31.12.24	31.12.23 as restated
	£	£
Wages and salaries	96,998	92,332
Other pension costs	<u>1,914</u>	<u>1,972</u>
	<u>98,912</u>	<u>94,304</u>

The average monthly number of employees during the year was as follows:

	31.12.24	31.12.23 as restated
Lending instruments / administration	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

**7. 2023 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	155,457	6,000	161,457
Other trading activities	4,794	-	4,794
Other income	<u>185,019</u>	-	<u>185,019</u>
<b>Total</b>	<u>345,270</u>	<u>6,000</u>	<u>351,270</u>
<b>EXPENDITURE ON</b>			
Charitable activities			
Benslow Musical Instrument Loan Scheme	221,324	21,040	242,364

**BENSLow MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

7. 2023 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
Net gains on investments	7,795	-	7,795
<b>NET INCOME/(EXPENDITURE)</b>	131,741	(15,040)	116,701
Transfers between funds	(15,040)	15,040	-
<b>Net movement in funds</b>	116,701	-	116,701
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	2,639,338	200,000	2,839,338
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>2,756,039</u>	<u>200,000</u>	<u>2,956,039</u>

**8. PRIOR YEAR ADJUSTMENT**

Historically, the Aston Development Fund and Parker Instrument Fund were treated as designated funds, however, the Trustees have now reviewed the treatment and believe this treatment was incorrect and they should be treated as restricted funds. This resulted in the designated funds being overstated and restricted funds being understated as at 31 December 2023.

**9. TANGIBLE FIXED ASSETS**

	Long leaschold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 January 2024	676,860	37,048	1,940,911	11,733	2,666,552
Additions	-	200	315,875	467	316,542
Disposals	-	-	(16,048)	-	(16,048)
Revaluations	-	-	335,911	-	335,911
At 31 December 2024	<u>676,860</u>	<u>37,248</u>	<u>2,576,649</u>	<u>12,200</u>	<u>3,302,957</u>
<b>DEPRECIATION</b>					
At 1 January 2024	53,562	35,449	-	10,757	99,768
Charge for year	13,537	816	-	879	15,232
At 31 December 2024	<u>67,099</u>	<u>36,265</u>	<u>-</u>	<u>11,636</u>	<u>115,000</u>
<b>NET BOOK VALUE</b>					
At 31 December 2024	<u>609,761</u>	<u>983</u>	<u>2,576,649</u>	<u>564</u>	<u>3,187,957</u>
At 31 December 2023	<u>623,298</u>	<u>1,599</u>	<u>1,940,911</u>	<u>976</u>	<u>2,566,784</u>

**BENSLow MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**9. TANGIBLE FIXED ASSETS - continued**

Cost or valuation at 31 December 2024 is represented by:

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
Valuation in 2024	-	-	2,576,649	-	2,576,649
Cost	<u>676,860</u>	<u>37,248</u>	<u>-</u>	<u>12,200</u>	<u>726,308</u>
	<u>676,860</u>	<u>37,248</u>	<u>2,576,649</u>	<u>12,200</u>	<u>3,302,957</u>

Musical Instruments - the Scheme's policy is only to sell or dispose of instruments where they are deemed unsuitable for purpose. Occasionally this may include instruments which prove unappealing to borrowers, when they may be disposed of or returned to the owner as appropriate. The overall instrument stock forms no part of any collateral given or contemplated.

As noted above the total owned instrument stock reflects the aggregate of individual valuations under constant review. The market for instruments is a highly specialised one and much distorted in recent years by the perception of 'named' musical instruments as a pure investment asset. To keep our aggregate book value within bounds we have applied a discount of 40% (2023: 50%) to the insurance valuation and the discounted figure is the figure of £2,576,649 included above.

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.24	31.12.23 as restated
	£	£
Trade debtors	65,647	82,388
Other debtors	<u>13,702</u>	<u>3,250</u>
	<u>79,349</u>	<u>85,638</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.24	31.12.23 as restated
	£	£
Trade creditors	95,467	90,970
Other creditors	<u>26,009</u>	<u>10,246</u>
	<u>121,476</u>	<u>101,216</u>

Trade creditors represents the deposits held for instruments out on loan.

**BENSILOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. MOVEMENT IN FUNDS**

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
<b>Unrestricted funds</b>				
General fund	815,128	298,342	(250,741)	862,729
Designated fund - Musical Instruments	<u>1,940,911</u>	<u>335,911</u>	<u>299,827</u>	<u>2,576,649</u>
	2,756,039	634,253	49,086	3,439,378
<b>Restricted funds</b>				
Bursary fund	-	(29,914)	29,914	-
Aston Development Fund	100,000	(23,864)	-	76,136
Parker Instrument Fund	<u>100,000</u>	<u>(2,738)</u>	<u>(79,000)</u>	<u>18,262</u>
	<u>200,000</u>	<u>(56,516)</u>	<u>(49,086)</u>	<u>94,398</u>
<b>TOTAL FUNDS</b>	<u>2,956,039</u>	<u>577,737</u>	<u>-</u>	<u>3,533,776</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	525,689	(227,347)	-	298,342
Designated fund - Musical Instruments	<u>-</u>	<u>-</u>	<u>335,911</u>	<u>335,911</u>
	525,689	(227,347)	335,911	634,253
<b>Restricted funds</b>				
Bursary fund	-	(29,914)	-	(29,914)
Aston Development Fund	-	(23,864)	-	(23,864)
Parker Instrument Fund	<u>-</u>	<u>(2,738)</u>	<u>-</u>	<u>(2,738)</u>
	<u>-</u>	<u>(56,516)</u>	<u>-</u>	<u>(56,516)</u>
<b>TOTAL FUNDS</b>	<u>525,689</u>	<u>(283,863)</u>	<u>335,911</u>	<u>577,737</u>

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	797,570	123,946	(106,388)	815,128
Designated fund - Musical Instruments	<u>1,841,768</u>	<u>7,795</u>	<u>91,348</u>	<u>1,940,911</u>
	2,639,338	131,741	(15,040)	2,756,039
<b>Restricted funds</b>				
Bursary fund	-	(15,040)	15,040	-
Aston Development Fund	100,000	-	-	100,000
Parker Instrument Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	200,000	(15,040)	15,040	200,000
<b>TOTAL FUNDS</b>	<u>2,839,338</u>	<u>116,701</u>	<u>-</u>	<u>2,956,039</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	345,270	(221,324)	-	123,946
Designated fund - Musical Instruments	<u>-</u>	<u>-</u>	<u>7,795</u>	<u>7,795</u>
	345,270	(221,324)	7,795	131,741
<b>Restricted funds</b>				
Bursary fund	6,000	(21,040)	-	(15,040)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>351,270</u>	<u>(242,364)</u>	<u>7,795</u>	<u>116,701</u>

**Unrestricted fund - General**

This fund represents the accumulated surplus arising from the general activity of the Scheme after allocating income and expenditure to other funds where appropriate and is consistent with the policy of the Governors.

**Designated fund - Musical instruments**

This fund represents the total value of musical instruments owned by the Scheme, although it should be noted the operational stock includes substantial numbers of instruments placed in the Scheme by supporters. As noted in 9 above the Scheme only parts with instruments if they are deemed unsuitable for purpose, and the Governors therefore consider that for accounting clarity the proportion of general reserves representing the net aggregate value should be shown as a separate item.

**Restricted fund - Aston Development Fund**

This fund represents a donation to the Scheme by Tony Aston, former Governor and Chair of the Scheme and former trustee of Benslow Music Trust. The fund is to allow the Scheme to continue to develop in the future.

**BENSLow MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. MOVEMENT IN FUNDS - continued**

**Restricted fund - Parker Instrument Fund**

This fund represents a donation given specifically for the purchase of instruments.

**Restricted fund - Bursary Fund**

The Scheme maintains its charges to borrowers at a low level and these primarily reflect only the direct cost of maintaining and insuring the instruments. To meet cases of extreme hardship however, bursaries are given that further reduce these charges and in 2023 awards totalling £21,040 were given. These are shown separately on the Statement of Financial Activities, being effectively a reduction in the year's income.

**Transfers between funds**

The transfer from the unrestricted funds to the bursary fund has been made as no restricted funds are currently held for this purpose.

**13. RELATED PARTY DISCLOSURES**

A management charge of £28,447 was paid to Benslow Music Trust, the sole Trustee, for the year ended 31 December 2024 (2023: £28,447). This covered premises, facilities and other support activities.

At the end of the year £0 was owed to Benslow Music Trust (Owed to BMT at 31 December 2023: £461).

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

England & Wales - Charity number 313755

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# Accounts

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**REGISTERED CHARITY NUMBER: 313755**

**REPORT OF THE TRUSTEE AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**  
**FOR**  
**BENLOW MUSIC INSTRUMENT LOAN SCHEME**

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Page</b>
<b>Report of the Trustee</b>	1 to 5
<b>Independent Examiner's Report</b>	6
<b>Statement of Financial Activities</b>	7
<b>Statement of Financial Position</b>	8
<b>Notes to the Financial Statements</b>	9 to 17

## **BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEE** **FOR THE YEAR ENDED 31 DECEMBER 2023**

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2023. The Trustee has adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

Benslow Music Instrument Loan Scheme's charitable objects, as set out in its governing document, are 'to lend good quality instruments to promising young music students who are unable to afford or obtain a suitable instrument of their own'.

##### **Main activities**

The charity achieves its objectives principally through a rolling programme of loaning instruments to young musicians (aged 7-25). This incorporates maintaining a collection of around 850 instruments, mainly string instruments as well as a smaller number of harps, woodwind and brass instruments. Where appropriate, bursaries are made available to borrowers whose families otherwise may not be able to meet the loan fees.

Additionally, the charity offers a programme for senior borrowers, offering young musicians an extended loan to age 30 as they navigate the financial and logistical difficulties faced by young professional musicians. The organisation also produces a small number of concerts at Benslow Music to showcase current and alumni instrument borrowers.

##### **Public benefit**

The Trustee confirms that it has complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Public benefit is derived from the programme of instruments loans, which is managed through open applications. As families increasingly struggle to make ends meet, and funding challenges in music education continue, access to low-cost, high-quality instruments can have a significant beneficial impact on young musicians' development. The charity continues to offer bursaries to borrowers from lower socio-economic backgrounds to broaden the reach of its activity and benefit.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

2023 was a period of growth for the Scheme. This year saw a steady increase in the number of students borrowing an instrument from the Scheme, rising from 486 to 537 at the end of the year. This included 124 new borrowers joining and 75 borrowers leaving the scheme.

The Scheme's bursary qualification criteria changed in September so that family income up to £40,000 per annum now qualifies for bursary support. This is a rise of £5,000 (14%) reflecting increased pressures on cost of living for many families.

During the year the Scheme also acquired 94 new instruments and bows via donations and loans (80 donations, 14 loans). 14 instruments were also withdrawn during the year, making a net gain of 80 to the Scheme's collection.---

The introduction of an annual service charge of £60 to the Scheme's borrowers has been phased in since September. This is helping to ensure that the requirement to have loaned instruments serviced annually is being followed. Borrowers within reasonable distance of Hitchin are requested to bring instruments to the Scheme's workshop for servicing.

Opportunities were given to current and former borrowers to perform as part of Benslow Music's afternoon recital series. These concerts attracted good attendee numbers and provided an opportunity to showcase the work of the Scheme to local audiences.

##### **Fundraising performance**

Donations and grants for the year totalled £22,329 (excluding instruments donated), an increase of 35% from 2022. This included £1,635 through the Friends of BMILS giving scheme, £14,693 in general donations and legacies (including £2,107 in Gift Aid), and a grant from the Scops Arts Trust of £5,000 per year for three years towards the Scheme's bursary fund.

## BENSLOW MUSIC INSTRUMENT LOAN SCHEME

### REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 DECEMBER 2023

#### **FINANCIAL REVIEW**

##### **Financial position**

##### **Income and Expenditure**

The result for the year was an overall surplus of £116,701. However, within this was an operational surplus of £31,430. The Scheme's policy for its operational finances excludes instrument donations, disposals and revaluations, monetary donations, bursaries granted and tangible assets.

The budget approved by the Governors was prepared on the basis of a £1,300 deficit on the year. This has assumed a reduction in income from instrument loan fees due to the impact of the UK's cost of living challenges on families. However, a number of factors, such as the introduction of annual service charges, along with an increased number of borrowers, led to a significant increase of operational income, resulting in the surplus as noted above.

<b>Analysis of income source</b>	<b>2023</b>		<b>2022</b>	
Instrument loan fees	£173,349	49%	£141,649	30%
Voluntary income	£22,329	6%	£18,062	4%
Instruments donated and funds for instruments*	£139,128	40%	£300,000	65%
Bank and investment income	£4,794	1%	£687	0%
Miscellaneous income**	£8,870	3%	£656	0%
Insurance commission	£2,800	1%	£2,839	1%
	<b>£351,270</b>		<b>£463,893</b>	

\* The Scheme's policy for recording instrument valuation was updated in 2023, meaning that income from instruments donated is not directly comparable to 2022.

\*\* Miscellaneous income includes income from concerts and payment against an insurance claim.

Expenditure across the year was the cost of running the Scheme, including the maintenance and care of the instrument collection and the allocation of bursaries to individuals from lower socio-economic backgrounds. The amount spent on bursaries in 2023 was £21,040, an increase of 44% on 2022. All of this activity is in service of the charitable objectives.

The monthly budget process, including cash flow reports, continued to be used to inform managers, Governors and the Trustee of the latest financial position. The Trustee maintains a strong financial policy and robust financial controls to comply with latest guidance from the Charity Commission.

##### **Reserves policy**

The reserves policy of the Scheme is to build and maintain equivalent to six months of operating expenditure as a minimum secure level. This is held to ensure long term security for the Scheme in the event of future deficits, or unexpected events that result in loss of income.

The unrestricted reserve funds at year end were £2,956,039. Of this, £2,566,784 is held as tangible assets, including the leasehold on the Scheme's office and workshop (Aston Building), musical instruments cases and office equipment, as well as the musical instrument collection held as a designated Musical Instrument Fund (£1,940,911). Additional designated funds held are:

- Aston Development Fund (£100,000) for the purpose of the organisational development of the Scheme.
- Parker Instrument Fund (£100,000) for the purpose of purchasing high-quality cellos to expand the instrument collection.

After taking into account restricted and designated funds and fixed assets, the Scheme holds £189,255 of free reserves, exceeding its target by 116%. The surplus in reserves will be reinvested into the development and maintenance of the instrument collection.

##### **Going concern**

The Trustee considers that it is appropriate to prepare the accounts on a going concern basis. The Scheme's reserves are at an appropriate level, and the growth of income from core activity from 2022 to 2023 demonstrates that there is still demand for the Scheme's activities.

## **BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **FUTURE PLANS**

The Scheme's plans for 2024 will focus on development. A new Head of BMILS was appointed in May, and is leading a review of the Scheme's systems and processes to improve efficiency and communications. This is being undertaken early in 2024 with recommendations to be implemented by the end of the year.

The Scheme will invest more in its external communications and appointed a social media consultant in January 2024 to support the development of the Scheme's profile among its target demographics.

Continued development of the instrument collection remains a priority, with plans to invest in both full size and fractional sized instruments, driven by current demand and enabled by a significant donation.

The Scheme will also develop its relationships with luthiers, with the intention of establishing a network of luthiers across the country to ensure that instrument borrowers have access to instrument repair services associated with the Scheme and at a reasonable cost.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

Benslow Music Instrument Loan Scheme is an unincorporated trust registered as a charity, with Benslow Music Trust as its sole corporate trustee. It is governed by a Trust Deed, most recently amended in June 2022.

The Trustees of Benslow Music Trust appoint a Committee of Governors annually. The membership of the committee must contain a majority of Benslow Music Trust Trustees, however additional Governors may be appointed from beyond the trustee body and are not required to be members of Benslow Music Trust. The Governors elect their own Chair, who must also be a Trustee of Benslow Music Trust.

Benslow Music Trust retains ultimate responsibility for the scheme, with Governors being delegated the responsibility for overseeing strategic direction, ensuring all activity supports the Scheme's objectives and approving annual budgets.

Benslow Music Trust appoints senior staff led by the Chief Executive of Benslow Music Trust. A Head of Benslow Music Instrument Loan Scheme, oversees the day-to-day operation of the Scheme, reporting to the Chief Executive and supported by other Benslow Music Trust staff in communications, fundraising and financial management.

All Governors give their time voluntarily and receive no remuneration other than reasonable expenses to enable their participation as Governor. No expenses were given to Governors in 2023.

##### **Key management remuneration**

The remuneration of all members of staff is reviewed annually by Benslow Music Trust's Board of Trustees, following report from its Remuneration Committee. Staff are appraised annually by Line Managers; their recommendations are considered alongside details of movement in standard indices prepared by the Office of National Statistics including CPI, RPI, National Living Wage and average earnings.

##### **Related parties**

Benslow Music Trust (Registered Charity No. 313663) took on responsibility for the Scheme as its sole corporate trustee when the Trust incorporated in 1986. The Scheme is part of a group trading as Benslow Music and has premises on the Benslow Music campus and pays an annual management charge to Benslow Music Trust for the cost of utilities, services and staff time.

The Scheme is part of a group operating as Benslow Music. Alongside Benslow Music Trust this includes Benslow Music Enterprises Limited (Registered Company 10967344), which manages Benslow Music Trust's non-music trading activity.

## **BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEE FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Risk management**

In its duty to manage the Scheme's exposure to risk, the Trustee annually reviews its risk management policy and regular review key risks, maintaining a risk register. The senior management team support in developing plans and control measures to provide reasonable mitigation.

As the UK continues to face cost of living challenges, the principal risk to the scheme is diminishing demand for its services as families face increasing financial pressures. This has been accounted for by raising the threshold for bursaries to ensure that the Scheme remains accessible to individuals from varying socio-economic backgrounds.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Trustee</b>	Benslow Music Trust – Charity no. 313663
<b>Name</b>	Benslow Music Instrument Loan Scheme
<b>Registered Charity</b>	313755
<b>Principal address</b>	Benslow Music, Benslow Lane, Hitchin, SG4 9RB
<b>Trustee</b>	Benslow Music Trust Registered Company Number: 408404 Registered Charity Number: 313663  Benslow Music Trust Board of Trustees at 31 December 2023 Andrew Baruch Colin Bates Andrew Blankfield Timothy Gillott (Vice-Chair) Katherine Hamilton Norma King Philip Meaden (Chair) Peter Neville Gwen Owen Robinson Bhagwant Singh (Hon. Treasurer) Michael Taylor (Vice-Chair)  Mark Bowen (Hon. Secretary)
<b>Governors of Loan Scheme</b>	Andrew Blankfield Rosalind Hedley-Miller Norma King Joely Koos Peter Neville (Chair) Sandra Saunders Michael Taylor
<b>Senior Staff</b>	Chief Executive: Peter Collyer (until July), Michael Duffy (from January 2024) Head of BMILS: Etta Dainty (until April), Nick Evans-Pughe (from May)

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**REPORT OF THE TRUSTEE**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent Examiner** Bradshaw Johnson Chartered Accountants, Croft Chambers, 11 Bancroft,  
Hitchin, SG5 1JQ

**Bankers** Barclays Bank plc, 5/6 High Street, Hitchin, SG5 1BJ

CCLA Investment Management Limited, Senator House,  
85 Queen Victoria Street, London, EC4V 4ET

**Independent Examiner** Bradshaw Johnson Chartered Accountants, Croft Chambers,  
11 Bancroft, Hitchin, Hertfordshire. SG5 1JQ

Approved by order of the board of trustees on 23 May 2024 and signed on its behalf by:

*P W Neville*

.....  
P W Neville  
Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF  
BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**Independent examiner's report to the trustee of Benslow Music Instrument Loan Scheme**

I report to the charity trustee on my examination of the accounts of Benslow Music Instrument Loan Scheme (the Trust) for the year ended 31 December 2023.

**Responsibilities and basis of report**

As the charity trustee of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

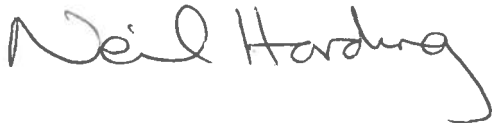
**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Neil Harding FCA

Bradshaw Johnson  
Chartered Accountants  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

Date: ..... 5-6-24 .....

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted fund £	31.12.23 Total funds £	31.12.22 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		155,457	6,000	161,457	318,062
Other trading activities	2	4,794	-	4,794	687
Other income		<u>185,019</u>	<u>-</u>	<u>185,019</u>	<u>145,144</u>
<b>Total</b>		<u>345,270</u>	<u>6,000</u>	<u>351,270</u>	<u>463,893</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Benslow Musical Instrument Loan Scheme		<u>221,324</u>	<u>21,040</u>	<u>242,364</u>	<u>224,835</u>
Net gains/(losses) on investments		<u>7,795</u>	<u>-</u>	<u>7,795</u>	<u>(87,521)</u>
<b>NET INCOME/(EXPENDITURE)</b>					
Transfers between funds	10	<u>131,741</u> <u>(15,040)</u>	<u>(15,040)</u> <u>15,040</u>	<u>116,701</u> <u>-</u>	<u>151,537</u> <u>-</u>
Net movement in funds		116,701	-	116,701	151,537
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>2,839,338</u>	<u>-</u>	<u>2,839,338</u>	<u>2,687,801</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>2,956,039</u>	<u>-</u>	<u>2,956,039</u>	<u>2,839,338</u>

The notes form part of these financial statements

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted fund £	31.12.23 Total funds £	31.12.22 Total funds as restated £
<b>FIXED ASSETS</b>					
Tangible assets	7	2,566,784	-	2,566,784	2,482,514
<b>CURRENT ASSETS</b>					
Debtors	8	85,638	-	85,638	63,607
Cash at bank		<u>404,833</u>	<u>-</u>	<u>404,833</u>	<u>376,571</u>
		490,471	-	490,471	440,178
<b>CREDITORS</b>					
Amounts falling due within one year	9	(101,216)	-	(101,216)	(83,354)
<b>NET CURRENT ASSETS</b>		<u>389,255</u>	<u>-</u>	<u>389,255</u>	<u>356,824</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,956,039</u>	<u>-</u>	<u>2,956,039</u>	<u>2,839,338</u>
<b>NET ASSETS</b>		<u>2,956,039</u>	<u>-</u>	<u>2,956,039</u>	<u>2,839,338</u>
<b>FUNDS</b>	10				
Unrestricted funds:					
General fund				815,128	797,570
Designated fund - Aston Development Fund				100,000	100,000
Designated fund - Musical Instruments				1,940,911	1,841,768
Designated fund - Parker Instrument Fund				<u>100,000</u>	<u>100,000</u>
				<u>2,956,039</u>	<u>2,839,338</u>
<b>TOTAL FUNDS</b>				<u>2,956,039</u>	<u>2,839,338</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 May 2024 and were signed on its behalf by:



P W Neville  
Trustee

The notes form part of these financial statements

## **BENSLow MUSIC INSTRUMENT LOAN SCHEME**

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

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Benslow Musical Instrument Loan Scheme meets the definition of a public benefit entity under FRS 102.

##### **Income**

Income is included in the Statement of Financial Activities when:

- the Scheme becomes entitled to the donation, legacy or similar income and any conditions for receipt are met;
- the Scheme is virtually certain that it will receive it; and
- the Scheme is reasonably certain that the value can be reliably measured.

Donated instruments are included in the accounts in the year in which the instrument is received. The Scheme's policy is only to dispose of instruments where they are unsuitable for the Scheme's objectives.

Income from tax claims is included in the accounts at the same time as the gift to which it relates. Income from legacies is included when the Scheme has been notified of an impending distribution or the legacy being received.

Administration charges (from lending instruments) represent amounts invoiced in the year for the rental of musical instruments.

All income is stated gross and is wholly derived in the United Kingdom.

##### **Expenditure**

Expenditure is recognised in the year in which it is incurred.

Charitable expenditure comprises those costs incurred by the Scheme 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 to support them. This includes those incurred in connection with administration of the Scheme and compliance with constitutional and statutory requirements.

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

Fixed assets are stated at cost less accumulated depreciation. Minor additions of less than £50 are not capitalised.

Musical Instruments donated to the Scheme are initially valued professionally and included on that basis. Instruments purchased are included at cost. The individual values of all instruments are continuously reviewed on a rolling basis - primarily for insurance purposes - and adjustments made where necessary.

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

Freehold property	- 2% straight line
Musical Instruments	- Not depreciated
Instrument cases and equipment	- 10% straight line
Office equipment	- 20% straight line

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**6. PRIOR YEAR ADJUSTMENT**

The comparatives have been adjusted to correct an amount credited to bank and cash rather than to transfers between funds.

The discount applied to the instrument valuation has been increased from 20% to 50% to reflect current market conditions. This has been applied to the valuation as at 31.12.21 and 31.12.22.

**7. TANGIBLE FIXED ASSETS**

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 January 2023	676,860	36,898	1,841,768	11,637	2,567,163
Additions	-	150	139,748	96	139,994
Disposals	-	-	(48,400)	-	(48,400)
Revaluations	-	-	7,795	-	7,795
At 31 December 2023	<u>676,860</u>	<u>37,048</u>	<u>1,940,911</u>	<u>11,733</u>	<u>2,666,552</u>
<b>DEPRECIATION</b>					
At 1 January 2023	40,024	34,653	-	9,972	84,649
Charge for year	<u>13,538</u>	<u>796</u>	-	<u>785</u>	<u>15,119</u>
At 31 December 2023	<u>53,562</u>	<u>35,449</u>	-	<u>10,757</u>	<u>99,768</u>
<b>NET BOOK VALUE</b>					
At 31 December 2023	<u>623,298</u>	<u>1,599</u>	<u>1,940,911</u>	<u>976</u>	<u>2,566,784</u>
At 31 December 2022	<u>636,836</u>	<u>2,245</u>	<u>1,841,768</u>	<u>1,665</u>	<u>2,482,514</u>

Cost or valuation at 31 December 2023 is represented by:

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
Cost	<u>676,860</u>	<u>37,048</u>	<u>1,940,911</u>	<u>11,733</u>	<u>2,666,552</u>

Musical Instruments - the Scheme's policy is only to sell or dispose of instruments where they are deemed unsuitable for purpose. Occasionally this may include instruments which prove unappealing to borrowers, when they may be disposed of or returned to the owner as appropriate. The overall instrument stock forms no part of any collateral given or contemplated.

As noted above the total owned instrument stock reflects the aggregate of individual valuations under constant review. The market for instruments is a highly specialised one and much distorted in recent years by the perception of 'named' musical instruments as a pure investment asset. To keep our aggregate book value within bounds we have applied a discount of 50% to the insurance valuation and the discounted figure is the figure of £1,940,911 included above.

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.23	31.12.22 as restated
	£	£
Trade debtors	82,388	57,268
Other debtors	<u>3,250</u>	<u>6,339</u>
	<u>85,638</u>	<u>63,607</u>

<b>9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.23	31.12.22 as restated
	£	£
Trade creditors	90,970	72,415
Other creditors	<u>10,246</u>	<u>10,939</u>
	<u>101,216</u>	<u>83,354</u>

Trade creditors represents the deposits held for instruments out on loan.

<b>10. MOVEMENT IN FUNDS</b>		Net movement in funds	Transfers between funds	At 31.12.23
	At 1.1.23	£	£	£
<b>Unrestricted funds</b>				
General fund	797,570	123,946	(106,388)	815,128
Designated fund - Aston Development Fund	100,000	-	-	100,000
Designated fund - Musical Instruments	1,841,768	7,795	91,348	1,940,911
Designated fund - Parker Instrument Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	2,839,338	131,741	(15,040)	2,956,039
<b>Restricted funds</b>				
Bursary fund	-	(15,040)	15,040	-
	<u>2,839,338</u>	<u>116,701</u>	<u>-</u>	<u>2,956,039</u>
<b>TOTAL FUNDS</b>				
	<u>2,839,338</u>	<u>116,701</u>	<u>-</u>	<u>2,956,039</u>

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**10. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	345,270	(221,324)	-	123,946
Designated fund - Musical Instruments	<u>-</u>	<u>-</u>	<u>7,795</u>	<u>7,795</u>
	345,270	(221,324)	7,795	131,741
<b>Restricted funds</b>				
Bursary fund	6,000	(21,040)	-	(15,040)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>351,270</u>	<u>(242,364)</u>	<u>7,795</u>	<u>116,701</u>

**Comparatives for movement in funds**

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	800,418	153,698	(156,546)	797,570
Designated fund - Aston Development Fund	100,000	-	-	100,000
Designated fund - Musical Instruments	1,787,383	(87,521)	141,906	1,841,768
Designated fund - Parker Instrument Fund	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	2,687,801	166,177	(14,640)	2,839,338
<b>Restricted funds</b>				
Bursary fund	<u>-</u>	<u>(14,640)</u>	<u>14,640</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>2,687,801</u>	<u>151,537</u>	<u>-</u>	<u>2,839,338</u>

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**10. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	363,893	(210,195)	-	153,698
Designated fund - Musical Instruments	-	-	(87,521)	(87,521)
Designated fund - Parker Instrument Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	463,893	(210,195)	(87,521)	166,177
<b>Restricted funds</b>				
Bursary fund	-	(14,640)	-	(14,640)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>463,893</u>	<u>(224,835)</u>	<u>(87,521)</u>	<u>151,537</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General fund	800,418	277,644	(262,934)	815,128
Designated fund - Aston Development Fund	100,000	-	-	100,000
Designated fund - Musical Instruments	1,787,383	(79,726)	233,254	1,940,911
Designated fund - Parker Instrument Fund	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	2,687,801	297,918	(29,680)	2,956,039
<b>Restricted funds</b>				
Bursary fund	-	(29,680)	29,680	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>2,687,801</u>	<u>268,238</u>	<u>-</u>	<u>2,956,039</u>

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**10. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	709,163	(431,519)	-	277,644
Designated fund - Musical Instruments	-	-	(79,726)	(79,726)
Designated fund - Parker Instrument Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	809,163	(431,519)	(79,726)	297,918
<b>Restricted funds</b>				
Bursary fund	6,000	(35,680)	-	(29,680)
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
<b>TOTAL FUNDS</b>	<u>815,163</u>	<u>(467,199)</u>	<u>(79,726)</u>	<u>268,238</u>

**Unrestricted fund - General**

This fund represents the accumulated surplus arising from the general activity of the Scheme after allocating income and expenditure to other funds where appropriate and is consistent with the policy of the Governors.

**Designated fund - Musical instruments**

This fund represents the total value of musical instruments owned by the Scheme, although it should be noted the operational stock includes substantial numbers of instruments placed in the Scheme by supporters. As noted in 9 above the Scheme only parts with instruments if they are deemed unsuitable for purpose, and the Governors therefore consider that for accounting clarity the proportion of general reserves representing the net aggregate value should be shown as a separate item.

**Designated fund - Aston Development Fund**

This fund represents a donation to the Scheme by Tony Aston, former Governor and Chair of the Scheme and former trustee of Benslow Music Trust. The fund is to allow the Scheme to continue to develop in the future.

**Designated fund - Parker Instrument Fund**

This fund represents a donation given specifically for the purchase of instruments.

**Restricted fund - Bursary Fund**

The Scheme maintains its charges to borrowers at a low level and these primarily reflect only the direct cost of maintaining and insuring the instruments. To meet cases of extreme hardship however, bursaries are given that further reduce these charges and in 2023 awards totalling £21,040 were given. These are shown separately on the Statement of Financial Activities, being effectively a reduction in the year's income.

**Transfers between funds**

The transfer from the unrestricted funds to the bursary fund has been made as no restricted funds are currently held for this purpose.

**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**11. RELATED PARTY DISCLOSURES**

A management charge of £28,447 was paid to Benslow Music Trust, the sole Trustee, for the year ended 31 December 2023 (2022: £25,680). This covered premises, facilities and other support activities.

At the end of the year £461 was owed to Benslow Music Trust (Owed to BMT at 31 December 2022: £2,835).



**BENLOW MUSIC INSTRUMENT LOAN SCHEME**

England & Wales - Charity number 313755

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# Accounts

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REGISTERED CHARITY NUMBER: 313755

**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**FOR**  
**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 4
<b>Independent Examiner's Report</b>	5
<b>Statement of Financial Activities</b>	6
<b>Statement of Financial Position</b>	7
<b>Notes to the Financial Statements</b>	8 to 15

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 DECEMBER 2022**

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2022. The trustee has adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Scheme was founded in 1932 to provide suitable instruments for promising music students, such instruments being frequently beyond their means. Owners of such instruments were invited to lend or donate them to the Scheme, which would then become a vehicle to care for and maintain them and lend them onwards to promising pupils. It was envisaged from the outset that would-be borrowers would be required to provide evidence of musical ability and promise from suitably qualified sources, and show inability to obtain or afford appropriate instruments from their own or family resources. Appropriate guarantees would also be sought for applicants below the age of 18.

The Scheme focuses mainly on stringed instruments which, with suitable maintenance, may be expected to have indefinite lifetimes. It also has several harps and a small number of woodwind and brass instruments. During the past decade the Scheme has more than doubled in size measured by instruments available (currently 850 instruments) divided approximately equally between instruments lent to the Scheme and instruments owned by it. There is no equivalent scheme of comparable size in the UK. Borrowers range from 7 years up to the age of 25, the average loan being in the order of 4 years.

From 2021 onwards, in exceptional cases and at the sole discretion of BMILS, a borrower reaching the age of 25 may extend their loan until the age of 30. It is felt necessary to extend our upper age limit the better to reflect the increasing financial and logistical difficulties faced by young musicians today.

##### **Main activities**

For most of its early existence the Scheme was run on a wholly voluntary basis until it was saved from collapse in the late 1980s by Benslow Music Trust. It continues to be a fundamental objective of the Scheme that it should be run on a low overhead basis to enable charges to borrowers to be minimised.

To maintain the flow of borrowers, lenders of instruments and supporters, the Scheme promotes itself to the music teaching profession and other musical institutions throughout the UK by contacts, word of mouth, participation in events and through social media. It is greatly aided in this by its connection and location on campus with Benslow Music Trust where there is a regular footfall of amateur musicians, professional tutors and the public through related musical events. It also maintains connections through instrument repairers country-wide.

The scope of the Scheme is limited by its stock variety and condition and to this end it maintains continuous and meticulous attention to instrument quality and condition whether in stock or borrowers' hands. It monitors changing requirements ensuring that valuations for the purposes of insurance are current. In recent years, continuous and incremental increases in market value of fine stringed instruments has resulted in higher insurance costs.

We continue to seek to ensure that each applicant borrows an instrument most suited to their needs and that our overall stock is appropriate to those needs. Considerable effort is made to reassure lenders of instruments to the Scheme that their instruments are well maintained, insured and contribute to our declared objectives.

##### **Public benefit**

When planning our activities for the year we have considered the Charity Commission's guidance on public benefit. Any potential borrower meeting the criteria of musical ability and need may apply either directly or through a parent or guardian. Every applicant is made aware of the availability of bursaries and we seek to encourage applications from a wide range of backgrounds.

# BENSLOW MUSICAL INSTRUMENT LOAN SCHEME

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

### **ACHIEVEMENT AND PERFORMANCE**

#### **Charitable activities**

The past year was an important milestone for the Benslow Music Instrument Loan Scheme, marking our 90th anniversary. Sunday 23 January 2022 marked the exact 90th anniversary of the scheme, and publication date of the original letter to the 'Times' from Editha Knocker and Edith Croll asking for 'good violins lying idle'. On this date we held the official opening of the Aston Building, with Benslow Music President Judith Weir CBE, Master of the Queen's Music as master of ceremonies. Further to his exceptional contributions to BMILS, Tony Aston was invited to become a Patron of the scheme. This role was graciously accepted, and a certificate of Patronage was presented to Mr. Aston by BMT/BMILS Chair, Peter Neville. Throughout the anniversary year we held quarterly events to further mark this milestone, including:

- Concert of BMILS alumni in April
- Online/digital borrower focus week in July
- Closing Gala concert in December, showcasing borrowers old and new; including the World Premiere of a Piano Trio composed by (and performed) for the occasion by one of our particularly talented young borrowers, cellist Apollo Premadasa.

**BORROWER NUMBERS:** Despite the recent financial knocks Music Education in the UK has faced, 2022 saw BMILS maintain and increase its borrower base, ending the year with 486 borrowers of instruments and/or bows from the collection.

**BURSARIES/FINANCIAL ASSISTANCE:** Further to a review of our bursaries (as referred to in 2021 Report of Trustees) in effort to further address the tumultuous financial landscape faced by families, it was agreed that the total amount of bursary assistance available to borrowers will be increased from 2023 from £14,000 to £20,000. We have also increased the threshold of total gross household income required for a borrower to qualify for a bursary from £30K to £35K. These changes will come in effect in 2023.

#### **Personnel**

Luthier Marco Matathia is now employed for three days per week (previously two), in an effort to address ongoing repairs to the collection, and to increase our capacity for essential annual instrument services on-site (reducing spending on other independent luthiers).

The part-time Fundraising and Development Consultant, a third of whose time was allotted to work for the Loan Scheme, left the post in March 2022 but has returned in a consultancy role to work on re-invigorating the Friends of BMILS, as well as researching and approaching appropriate funding foundations etc, with a view to increasing the bursary funds available to borrowers. In addition to this she has been looking ahead to specific fundraising towards projects such as rejuvenating the stock of instruments cases.

### **FINANCIAL REVIEW**

#### **Financial position**

The Scheme remains in a good financial position due to continuing steady income from our borrower base. A previous generous donation for development purposes (from Tony Aston, former Chairman of Governors to whom the Scheme is eternally grateful) also contributes to financial security.

Regular budget monitors from the Finance Officer have proved helpful in monitoring the Scheme's financial position. Our instalment payment plan continues to account for the vast majority of payments, ensuring a constant cash flow. Once again fewer than 1% of borrowers defaulted over the year.

The impact of increasing facilities and personnel costs have attributed to higher outgoings overall, and will need to continue to be closely monitored over the coming year.

#### **Instrument Collection**

The new workshop facilities at the Aston Building have allowed us to facilitate many more instrument/bow services and repairs on site by our part-time Luthier, contributing to a significant reduction in costs in outsourcing these in the long term.

## BENSLOW MUSICAL INSTRUMENT LOAN SCHEME

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

#### **FINANCIAL REVIEW**

##### **Reserves policy**

It remains our policy to maintain reserves at least equivalent to six month's running cost as well as providing the ability to acquire worthwhile instruments which become available to us.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Scheme is structured as an unincorporated trust registered as a charity, with Benslow Music Trust as its sole corporate trustee. It is supervised by a committee of Governors appointed annually by Benslow Music Trust. The Governors elect their own Chairman who must also be a Trustee of Benslow Music Trust.

The Scheme is governed by a Trust Deed dated 1 March 1960 and its primary objectives remain substantially as set out by its original founders in a letter published in 'The Times' edition dated 23 January 1932.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

313755

##### **Principal address**

Benslow Music  
Benslow Lane  
Hitchin  
Hertfordshire  
SG4 9RB

##### **Trustees**

Benslow Music Trust

Registered Company Number: 00408404

Registered Charity Number: 313663

Trustees of Benslow Music Trust at 31 December 2022

Philip Meaden - Chair-elect

Michael Taylor - Vice-Chair

Tim Gillott - Vice-Chair

Bhagwant Singh - Hon. Treasurer

Andrew Baruch, Colin Bates, Andrew Blankfield, Fiona Clark, Katherine Hamilton, Norma King, Peter Neville and Gwen Owen Robinson

Mark Bowen - Hon. Secretary

##### **Governors of Loan Scheme**

Peter Neville - Chair of the Governors

Andrew Blankfield

Rosalind Hedley Miller

Norma King

Joely Koos

Sandra Saunders

Susan Sturrock - resigned 19.5.22

Michael Taylor

**BENSLow MUSICAL INSTRUMENT LOAN SCHEME**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent Examiner**

Bradshaw Johnson  
Chartered Accountants  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

**Bankers**

Barclays Bank plc  
5/6 High Street  
Hitchin  
Herts  
SG5 1BJ

CCLA Fund Managers Limited  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

Approved by order of the board of trustees on 25<sup>th</sup> May 2023 and signed on its behalf by:

PHILIP MEADEN

.....  
Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**Independent examiner's report to the trustees of Benslow Musical Instrument Loan Scheme**

I report to the charity trustees on my examination of the accounts of Benslow Musical Instrument Loan Scheme (the Trust) for the year ended 31 December 2022.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Neil Harding FCA

Bradshaw Johnson  
Chartered Accountants  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

Date: 25<sup>TH</sup> MAY 2023

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		318,062	-	318,062	183,369
Other trading activities	2	687	-	687	17
Other income		<u>134,729</u>	<u>-</u>	<u>134,729</u>	<u>142,019</u>
<b>Total</b>		<u>453,478</u>	<u>-</u>	<u>453,478</u>	<u>325,405</u>
<b>EXPENDITURE ON</b>					
Raising funds		-	-	-	378
<b>Charitable activities</b>					
Benslow Musical Loan Scheme		<u>199,780</u>	<u>14,640</u>	<u>214,420</u>	<u>174,131</u>
<b>Total</b>		<u>199,780</u>	<u>14,640</u>	<u>214,420</u>	<u>174,509</u>
Net gains/(losses) on investments		<u>(54,889)</u>	<u>-</u>	<u>(54,889)</u>	<u>62,972</u>
<b>NET INCOME/(EXPENDITURE)</b>		198,809	(14,640)	184,169	213,868
Transfers between funds	9	<u>(124,418)</u>	<u>14,640</u>	<u>(109,778)</u>	<u>-</u>
<b>Net movement in funds</b>		74,391	-	74,391	213,868
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>3,760,230</u>	<u>-</u>	<u>3,760,230</u>	<u>3,546,362</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>3,834,621</u></u>	<u><u>-</u></u>	<u><u>3,834,621</u></u>	<u><u>3,760,230</u></u>

The notes form part of these financial statements

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	3,587,575	-	3,587,575	3,514,821
<b>CURRENT ASSETS</b>					
Debtors	7	63,607	-	63,607	71,644
Cash at bank		<u>266,793</u>	<u>-</u>	<u>266,793</u>	<u>252,434</u>
		330,400	-	330,400	324,078
<b>CREDITORS</b>					
Amounts falling due within one year	8	(83,354)	-	(83,354)	(78,669)
<b>NET CURRENT ASSETS</b>		<u>247,046</u>	<u>-</u>	<u>247,046</u>	<u>245,409</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,834,621</u>	<u>-</u>	<u>3,834,621</u>	<u>3,760,230</u>
<b>NET ASSETS</b>		<u>3,834,621</u>	<u>-</u>	<u>3,834,621</u>	<u>3,760,230</u>
<b>FUNDS</b>	9				
Unrestricted funds:					
General fund				787,792	800,418
Designated Musical instruments				2,946,829	2,859,812
Aston Development Fund				<u>100,000</u>	<u>100,000</u>
				<u>3,834,621</u>	<u>3,760,230</u>
<b>TOTAL FUNDS</b>				<u>3,834,621</u>	<u>3,760,230</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25<sup>th</sup> May 2023 and were signed on its behalf by:

PHILIP MEADEN

.....  
Trustee

The notes form part of these financial statements

## BENSLow MUSICAL INSTRUMENT LOAN SCHEME

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Benslow Musical Instrument Loan Scheme meets the definition of a public benefit entity under FRS 102.

##### **Income**

Income is included in the Statement of Financial Activities when:

- the Scheme becomes entitled to the donation, legacy or similar income and any conditions for receipt are met;
- the Scheme is virtually certain that it will receive it; and
- the Scheme is reasonably certain that the value can be reliably measured.

Donated instruments are included in the accounts in the year in which the instrument is received. The Scheme's policy is only to dispose of instruments where they are unsuitable for the Scheme's objectives.

Income from tax claims is included in the accounts at the same time as the gift to which it relates. Income from legacies is included when the Scheme has been notified of an impending distribution or the legacy being received.

Administration charges (from lending instruments) represent amounts invoiced in the year for the rental of musical instruments.

All income is stated gross and is wholly derived in the United Kingdom.

##### **Expenditure**

Expenditure is recognised in the year in which it is incurred.

Charitable expenditure comprises those costs incurred by the Scheme 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 to support them. This includes those incurred in connection with administration of the Scheme and compliance with constitutional and statutory requirements.

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

Fixed assets are stated at cost less accumulated depreciation. Minor additions of less than £50 are not capitalised.

Musical Instruments donated to the Scheme are initially valued professionally and included on that basis. Instruments purchased are included at cost. The individual values of all instruments are continuously reviewed on a rolling basis - primarily for insurance purposes - and adjustments made where necessary.

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

Freehold property	- 2% straight line
Musical Instruments	- Not depreciated
Instrument cases and equipment	- 10% straight line
Office equipment	- 20% straight line

Depreciation is not provided on musical instruments individually but an annual adjustment is made to reflect value changes arising from reviews during the year and acquisitions and disposals. A view is also taken at the time of the overall reserve provided against the aggregate musical instrument stock valuation (see Note 6).

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. ACCOUNTING POLICIES - continued**

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Scheme and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Scheme for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. OTHER TRADING ACTIVITIES**

	31.12.22	31.12.21
	£	£
Deposit account interest	<u>687</u>	<u>17</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**4. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	31.12.22	31.12.21
Lending instruments / administration	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

5. 2021 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	183,369	-	183,369
Other trading activities	17	-	17
Other income	<u>142,019</u>	<u>-</u>	<u>142,019</u>
<b>Total</b>	<u>325,405</u>	<u>-</u>	<u>325,405</u>
<b>EXPENDITURE ON</b>			
Raising funds	378	-	378
Charitable activities			
Benslow Musical Loan Scheme	<u>161,319</u>	<u>12,812</u>	<u>174,131</u>
<b>Total</b>	<u>161,697</u>	<u>12,812</u>	<u>174,509</u>
Net gains on investments	<u>62,972</u>	<u>-</u>	<u>62,972</u>
<b>NET INCOME/(EXPENDITURE)</b>	226,680	(12,812)	213,868
Transfers between funds	<u>(12,812)</u>	<u>12,812</u>	<u>-</u>
<b>Net movement in funds</b>	213,868	-	213,868
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>3,546,362</u>	<u>-</u>	<u>3,546,362</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>3,760,230</u>	<u>-</u>	<u>3,760,230</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**6. TANGIBLE FIXED ASSETS**

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 January 2022	676,038	36,898	2,859,812	11,637	3,584,385
Additions	822	-	201,395	-	202,217
Disposals	-	-	(59,489)	-	(59,489)
Revaluations	-	-	(54,889)	-	(54,889)
At 31 December 2022	<u>676,860</u>	<u>36,898</u>	<u>2,946,829</u>	<u>11,637</u>	<u>3,672,224</u>
<b>DEPRECIATION</b>					
At 1 January 2022	26,486	33,872	-	9,206	69,564
Charge for year	<u>13,538</u>	<u>781</u>	-	<u>766</u>	<u>15,085</u>
At 31 December 2022	<u>40,024</u>	<u>34,653</u>	-	<u>9,972</u>	<u>84,649</u>
<b>NET BOOK VALUE</b>					
At 31 December 2022	<u>636,836</u>	<u>2,245</u>	<u>2,946,829</u>	<u>1,665</u>	<u>3,587,575</u>
At 31 December 2021	<u>649,552</u>	<u>3,026</u>	<u>2,859,812</u>	<u>2,431</u>	<u>3,514,821</u>

Cost or valuation at 31 December 2022 is represented by:

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
Cost	<u>676,860</u>	<u>36,898</u>	<u>2,946,829</u>	<u>11,637</u>	<u>3,672,224</u>

Musical Instruments - the Scheme's policy is only to sell or dispose of instruments where they are deemed unsuitable for purpose. Occasionally this may include instruments which prove unappealing to borrowers, when they may be disposed of or returned to the owner as appropriate. The overall instrument stock forms no part of any collateral given or contemplated.

As noted above the total owned instrument stock reflects the aggregate of individual valuations under constant review. The market for instruments is a highly specialised one and much distorted in recent years by the perception of 'named' musical instruments as a pure investment asset. To keep our aggregate book value within bounds we have applied a discount of 20% to the insurance valuation and the discounted figure is the figure of £2,946,829 included above.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22	31.12.21
	£	£
Trade debtors	57,268	55,313
Other debtors	<u>6,339</u>	<u>16,331</u>
	<u>63,607</u>	<u>71,644</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	31.12.22	31.12.21
	£	£
Trade creditors	72,415	61,660
Other creditors	<u>10,939</u>	<u>17,009</u>
	<u>83,354</u>	<u>78,669</u>

Trade creditors represents the deposits held for instruments out on loan.

<b>9. MOVEMENT IN FUNDS</b>		Net movement in funds	Transfers between funds	At 31.12.22
	At 1.1.22	£	£	£
<b>Unrestricted funds</b>				
General fund	800,418	253,698	(266,324)	787,792
Designated Musical instruments	2,859,812	(54,889)	141,906	2,946,829
Aston Development Fund	<u>100,000</u>	-	-	<u>100,000</u>
	3,760,230	198,809	(124,418)	3,834,621
<b>Restricted funds</b>				
Bursary fund	-	(14,640)	14,640	-
	<u>3,760,230</u>	<u>184,169</u>	<u>(109,778)</u>	<u>3,834,621</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	453,478	(199,780)	-	253,698
Designated Musical instruments	<u>-</u>	<u>-</u>	<u>(54,889)</u>	<u>(54,889)</u>
	453,478	(199,780)	(54,889)	198,809
<b>Restricted funds</b>				
Bursary fund	-	(14,640)	-	(14,640)
	<u>453,478</u>	<u>(214,420)</u>	<u>(54,889)</u>	<u>184,169</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

9. **MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	753,560	163,708	(116,850)	800,418
Designated Musical instruments	2,692,802	62,972	104,038	2,859,812
Aston Development Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	3,546,362	226,680	(12,812)	3,760,230
<b>Restricted funds</b>				
Bursary fund	-	(12,812)	12,812	-
	<u>3,546,362</u>	<u>213,868</u>	<u>-</u>	<u>3,760,230</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	325,405	(161,697)	-	163,708
Designated Musical instruments	<u>-</u>	<u>-</u>	<u>62,972</u>	<u>62,972</u>
	325,405	(161,697)	62,972	226,680
<b>Restricted funds</b>				
Bursary fund	-	(12,812)	-	(12,812)
	<u>325,405</u>	<u>(174,509)</u>	<u>62,972</u>	<u>213,868</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	753,560	417,406	(383,174)	787,792
Designated Musical instruments	2,692,802	8,083	245,944	2,946,829
Aston Development Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	3,546,362	425,489	(137,230)	3,834,621
<b>Restricted funds</b>				
Bursary fund	-	(27,452)	27,452	-
	<u>3,546,362</u>	<u>398,037</u>	<u>(109,778)</u>	<u>3,834,621</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**9. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	778,883	(361,477)	-	417,406
Designated Musical instruments	<u>-</u>	<u>-</u>	<u>8,083</u>	<u>8,083</u>
	778,883	(361,477)	8,083	425,489
<b>Restricted funds</b>				
Bursary fund	<u>-</u>	<u>(27,452)</u>	<u>-</u>	<u>(27,452)</u>
<b>TOTAL FUNDS</b>	<u>778,883</u>	<u>(388,929)</u>	<u>8,083</u>	<u>398,037</u>

**General**

This fund represents the accumulated surplus arising from the general activity of the Scheme after allocating income and expenditure to other funds where appropriate and is consistent with the policy of the Governors.

**Designated fund - Musical instruments**

This fund represents the total value of musical instruments owned by the Scheme, although it should be noted the operational stock includes substantial numbers of instruments placed in the Scheme by supporters. As noted in 9 above the Scheme only parts with instruments if they are deemed unsuitable for purpose, and the Governors therefore consider that for accounting clarity the proportion of general reserves representing the net aggregate value should be shown as a separate item.

**Designated fund - Buckley fund**

This fund represented the sale proceeds of an antique cello originally donated in 2007. Last year the funds held were used to help fund the new purpose built building built for use by the Scheme. All funds were transferred to the general fund last year.

**Designated fund - Aston Development Fund**

This fund represents a donation to the Scheme by Tony Aston, former Governor and Chair of the Scheme and former trustee of Benslow Music Trust. The fund is to allow the Scheme to continue to develop in the future.

**Bursary fund**

The Scheme maintains its charges to borrowers at a low level and these primarily reflect only the direct cost of maintaining and insuring the instruments. To meet cases of extreme hardship however, bursaries are given that further reduce these charges and in 2022 awards totalling £14,640 were given. These are shown separately on the Statement of Financial Activities, being effectively a reduction in the year's income.

**Transfers between funds**

The transfer from the unrestricted funds to the bursary fund has been made as no designated funds are currently held for this purpose.

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. RELATED PARTY DISCLOSURES**

A management charge of £25,680 was paid to Benslow Music Trust, the sole Trustee, for the year ended 31 December 2022 (2021: £22,000). This covered premises, facilities and other support activities.

At the end of the year £2,835 was owed to Benslow Music Trust (Owed by BMT at 31 December 2021: £7,753).



**BENSLOW MUSIC INSTRUMENT LOAN SCHEME**

England & Wales - Charity number 313755

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# Accounts

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**REPORT OF THE TRUSTEE AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**FOR**  
**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Page</b>
<b>Report of the Trustee</b>	1 to 4
<b>Independent Examiner's Report</b>	5
<b>Statement of Financial Activities</b>	6
<b>Statement of Financial Position</b>	7
<b>Notes to the Financial Statements</b>	8 to 15

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEE** **FOR THE YEAR ENDED 31 DECEMBER 2021**

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2021. The trustee has adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Scheme was founded in 1932 to provide suitable instruments for promising music students, such instruments being frequently beyond their means. Owners of such instruments were invited to lend or donate them to the Scheme, which would then become a vehicle to care for and maintain them and lend them onwards to promising pupils. It was envisaged from the outset that would-be borrowers would be required to provide evidence of musical ability and promise from suitably qualified sources, and show inability to obtain or afford appropriate instruments from their own or family resources. Appropriate guarantees would also be sought for applicants below the age of 18.

The Scheme focuses mainly on stringed instruments which, with suitable maintenance, may be expected to have indefinite lifetimes. It also has several harps and a small number of woodwind and brass instruments. During the past decade the Scheme has more than doubled in size measured by instruments available (currently 850 instruments) divided approximately equally between instruments lent to the Scheme and instruments owned by it. There is no equivalent scheme of comparable size in the UK. Borrowers range from 7 years up to the age of 25, the average loan being in the order of 4 years.

From 2021 onwards, in exceptional cases and at the sole discretion of BMILS, a borrower reaching the age of 25 may extend their loan until the age of 30. It is felt necessary to extend our upper age limit the better to reflect the increasing financial and logistical difficulties faced by young musicians today.

##### **Main activities**

For most of its early existence the Scheme was run on a wholly voluntary basis until it was saved from collapse in the late 1980s by Benslow Music Trust. It continues to be a fundamental objective of the Scheme that it should be run on a low overhead basis to enable charges to borrowers to be minimised.

To maintain the flow of borrowers, lenders of instruments and supporters, the Scheme promotes itself to the music teaching profession and other musical institutions throughout the UK by contacts, word of mouth, participation in events and through social media. It is greatly aided in this by its connection and location on campus with Benslow Music Trust where there is a regular footfall of amateur musicians, professional tutors and the public through related musical events. It also maintains connections through instrument repairers country-wide.

The scope of the Scheme is limited by its stock variety and condition and to this end it maintains continuous and meticulous attention to instrument quality and condition whether in stock or borrowers' hands. It monitors changing requirements ensuring that valuations for the purposes of insurance are current. In recent years, continuous and incremental increases in market value of fine stringed instruments has resulted in higher insurance costs.

We continue to seek to ensure that each applicant borrows an instrument most suited to their needs and that our overall stock is appropriate to those needs. Considerable effort is made to reassure lenders of instruments to the Scheme that their instruments are well maintained, insured and contribute to our declared objectives.

##### **Public benefit**

When planning our activities for the year we have considered the Charity Commission's guidance on public benefit. Any potential borrower meeting the criteria of musical ability and need may apply either directly or through a parent or guardian. Every applicant is made aware of the availability of bursaries and we seek to encourage applications from a wide range of backgrounds.

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEE** **FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

Following an unprecedented year in 2020 due to the Covid-19 pandemic, 2021 saw activity on site renewed at pre-pandemic levels, with the Scheme fully housed and operational in its new Aston Building on the Benslow Music campus.

The Scheme's borrower base was maintained throughout 2021, and following the end of lockdown restrictions early in the year new borrower numbers and appointments rose once more. It is however becoming clear that music education in general has taken a hit in recent years due to reductions in funding, and pandemic restrictions. We fear this may have the knock-on effect of reducing the number of new musical instrument students in the UK, and by extension new applicants to our Scheme. To help combat this trend and to further our aim of offering talented young musicians affordable access to high quality instruments, we are formulating advocative campaigns and partnerships.

We are pleased that a survey of our borrower base at the end of 2021 showed an ethnicity breakdown which aligns with that of the UK, with some minority backgrounds forming a larger percentage in our borrower base than seen overall in the UK. However more work is needed to appeal to borrowers from more socio-economically diverse backgrounds, as the majority of our current borrower base come from households earning over the UK average (ONS figures 2020). With this in mind, a review of our bursary fund and criteria will be undertaken in 2022.

##### **Personnel**

May 2021 saw a change in leadership of the Scheme, with Etta Dainty coming on board following the retirement of Alison Palmer. Alison gave 14 years dedicated service as General Manager during which the instrument collection was consolidated and improved, strengthening and developing the Scheme. She oversaw the move from prefabricated premises on site, to permanent accommodation within the Benslow campus, and finally to the new Aston Building. The Scheme and the Trust are deeply grateful to her for all that she gave. Etta's title as Head of Benslow Music Instrument Loan Scheme aligns with the other management roles at Benslow Music Trust.

The Loan Scheme Assistant returned from furlough to pre-pandemic hours and with the Finance Officer continues to provide essential support. Following careful review, the days on-site of our Luthier will increase from two to three in 2022, allowing us to facilitate a much greater number of services and repairs in-house and at a lesser cost overall.

During the second half of 2021 Benslow Music Trust appointed a part-time Fundraising and Development Consultant, a third of whose time is allotted to work for the Loan Scheme. Initial projects include consolidating and closing the previous fundraising campaign 'Raise the Roof' in relation to the Aston Building, and re-invigorating the Friends of BMILS. The Trust also appointed a Head of Marketing and PR again with a third of their time allotted to the promotion of the Loan Scheme.

The additional costs for these new roles will be factored into an updated Management Fee paid to Benslow Music Trust, to be implemented in 2022.

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEE** **FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **FINANCIAL REVIEW**

##### **Financial position**

The Scheme remains in a good financial position due to continuing steady income from our borrower base of 450-480. A previous generous donation for development purposes (from Tony Aston, former Chairman of Governors to whom the Scheme is extremely grateful) also contributes to financial security.

Regular budget monitoring reports from the Finance Officer have proved helpful in monitoring the Scheme's financial position. Our instalment payment plan continues to account for the vast majority of payments, ensuring a constant cash flow. Once again fewer than 1% of borrowers defaulted over the year.

The impact of Increasing facilities and personnel costs will be closely monitored over the coming year.

##### **Instrument Collection**

2021 saw a marked increase in donations of instruments/bows to the Scheme from generous members of the public. Alongside this we continued to maintain and monitor the condition of the existing collection, including constantly reviewing insurance valuations. The insurance policy for instruments stored on-site was renewed in September 2021, consolidating and updating the average on-site value and policy exclusions, to be reviewed every six months.

During 2021 a thorough review of the collection was undertaken, during which a substantial number of Scheme-owned instruments deemed unsuitable or not of the required standard (mostly smaller fraction violins) were auctioned, the income from which helped to offset slightly lower borrower numbers and general costs. Over the course of 2022 a further overview will ascertain where additional instruments may need to be purchased to address perceived gaps in the collection.

The new workshop facilities at the Aston Building have also allowed us to facilitate many more instrument/bow services and repairs on site by our part-time Luthier, contributing to a significant reduction in costs in outsourcing these.

##### **Reserves policy**

It remains our policy to maintain reserves at least equivalent to twelve months running cost as well as providing the ability to acquire worthwhile instruments which become available to us.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Scheme is structured as an unincorporated trust registered as a charity, with Benslow Music Trust as its sole corporate trustee. It is supervised by a committee of Governors appointed annually by Benslow Music Trust. The Governors elect their own Chairman who must also be a Trustee of Benslow Music Trust.

The Scheme has no formal Trust document but its primary objectives remain substantially as set out by its original founders in a letter published in 'The Times' edition dated 23 January 1932.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

313755

##### **Principal address**

Benslow Music  
Benslow Lane  
Hitchin  
Hertfordshire  
SG4 9RB

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**REPORT OF THE TRUSTEE**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**Trustee**

Benslow Music Trust

Registered Company Number: 00408404

Registered Charity Number: 313663

Trustees of Benslow Music Trust at 31 December 2021

Peter Neville - Chairman

Michael Taylor - Vice-Chairman

Bhagwant Singh - Hon. Treasurer

Andrew Baruch, Colin Bates, Andrew Blankfield, Anne Conchie, Tim Gillott, Katherine Hamilton, Norma King and Susan Sturrock

Mark Bowen - Hon. Secretary

**Governors of Loan Scheme**

Peter Neville - Chairman of the Governors (from June 2021)

Andrew Blankfield

Rosalind Hedley Miller

Norma King

Joely Koos

Sandra Saunders (Kyriakides)

Susan Sturrock

Michael Taylor

John Witchell - Acting Chairman of Governors (until June 2021)

**Independent Examiner**

Bradshaw Johnson

Chartered Accountants

Croft Chambers

11 Bancroft

Hitchin

Hertfordshire

SG5 1JQ

**Bankers**

Barclays Bank plc

5/6 High Street

Hitchin

Herts

SG5 1BJ

CCLA Fund Managers Limited

Senator House

85 Queen Victoria Street

London

EC4V 4ET

Approved by order of the Trustee on 7 May 2022.

For and on behalf of Benslow Music Trust, Trustee.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF**  
**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**Independent examiner's report to the trustee of Benslow Musical Instrument Loan Scheme**

I report to the charity trustee on my examination of the accounts of Benslow Musical Instrument Loan Scheme (the Scheme) for the year ended 31 December 2021.

**Responsibilities and basis of report**

As the charity trustee of the Scheme the Trust is responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Scheme's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Neil Harding FCA  
Institute of Chartered Accountants in England and Wales  
Bradshaw Johnson  
Chartered Accountants  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

Date: 13 May 2022

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		183,369	-	183,369	127,528
Other trading activities	2	17	-	17	559
Other income		<u>142,019</u>	<u>-</u>	<u>142,019</u>	<u>138,509</u>
<b>Total</b>		325,405	-	325,405	266,596
<b>EXPENDITURE ON</b>					
Raising funds		378	-	378	(8)
<b>Charitable activities</b>					
Benslow Musical Loan Scheme		161,319	12,812	174,131	209,190
<b>Total</b>		<u>161,697</u>	<u>12,812</u>	<u>174,509</u>	<u>209,182</u>
Net gains on investments		<u>62,972</u>	<u>-</u>	<u>62,972</u>	<u>381,988</u>
<b>NET INCOME/(EXPENDITURE)</b>		226,680	(12,812)	213,868	439,402
<b>Transfers between funds</b>	9	<u>(12,812)</u>	<u>12,812</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		213,868	-	213,868	439,402
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>3,546,362</u>	<u>-</u>	<u>3,546,362</u>	<u>3,106,960</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>3,760,230</u></u>	<u><u>-</u></u>	<u><u>3,760,230</u></u>	<u><u>3,546,362</u></u>

The notes form part of these financial statements

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	3,514,821	-	3,514,821	3,334,957
<b>CURRENT ASSETS</b>					
Debtors	7	71,644	-	71,644	98,565
Cash at bank		<u>252,434</u>	<u>-</u>	<u>252,434</u>	<u>180,225</u>
		324,078	-	324,078	278,790
<b>CREDITORS</b>					
Amounts falling due within one year	8	(78,669)	-	(78,669)	(67,385)
<b>NET CURRENT ASSETS</b>		<u>245,409</u>	<u>-</u>	<u>245,409</u>	<u>211,405</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,760,230</u>	<u>-</u>	<u>3,760,230</u>	<u>3,546,362</u>
<b>NET ASSETS</b>		<u>3,760,230</u>	<u>-</u>	<u>3,760,230</u>	<u>3,546,362</u>
<b>FUNDS</b>	9				
Unrestricted funds:					
General fund				800,418	753,560
Designated Musical instruments				2,859,812	2,692,802
Aston Development Fund				<u>100,000</u>	<u>100,000</u>
				<u>3,760,230</u>	<u>3,546,362</u>
<b>TOTAL FUNDS</b>				<u>3,760,230</u>	<u>3,546,362</u>

The financial statements were approved by the Trustee and authorised for issue on 7 May 2022 and were signed by Peter Neville, Trustee.

For and on behalf of Benslow Music Trust, Trustee

The notes form part of these financial statements

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Benslow Musical Instrument Loan Scheme meets the definition of a public benefit entity under FRS 102.

##### **Income**

Income is included in the Statement of Financial Activities when:

- the Scheme becomes entitled to the donation, legacy or similar income and any conditions for receipt are met;
- the Scheme is virtually certain that it will receive it; and
- the Scheme is reasonably certain that the value can be reliably measured.

Donated instruments are included in the accounts in the year in which the instrument is received. The Scheme's policy is only to dispose of instruments where they are unsuitable for the Scheme's objectives.

Income from tax claims is included in the accounts at the same time as the gift to which it relates. Income from legacies is included when the Scheme has been notified of an impending distribution or the legacy being received.

Administration charges (from lending instruments) represent amounts invoiced in the year for the rental of musical instruments.

All income is stated gross and is wholly derived in the United Kingdom.

##### **Expenditure**

Expenditure is recognised in the year in which it is incurred.

Charitable expenditure comprises those costs incurred by the Scheme 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 to support them. This includes those incurred in connection with administration of the Scheme and compliance with constitutional and statutory requirements.

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

Fixed assets are stated at cost less accumulated depreciation. Minor additions of less than £50 are not capitalised.

Musical Instruments donated to the Scheme are initially valued professionally and included on that basis. Instruments purchased are included at cost. The individual values of all instruments are continuously reviewed on a rolling basis - primarily for insurance purposes - and adjustments made where necessary.

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

Long leasehold	- 2% straight line
Musical instruments	- Not depreciated
Instrument cases and equipment	- 10% straight line
Office equipment	- 20% straight line

Depreciation is not provided on musical instruments individually but an annual adjustment is made to reflect value changes arising from reviews during the year and acquisitions and disposals. A view is also taken at the time of the overall reserve provided against the aggregate musical instrument stock valuation (see Note 6).

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES - continued**

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Scheme and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Scheme for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. OTHER TRADING ACTIVITIES**

	31.12.21	31.12.20
	£	£
Deposit account interest	<u>17</u>	<u>559</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**4. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Lending instruments / administration	<u>3</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. 2020 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	127,528	-	127,528
Other trading activities	559	-	559
Other income	<u>138,509</u>	<u>-</u>	<u>138,509</u>
<b>Total</b>	266,596	-	266,596
 <b>EXPENDITURE ON</b>			
Raising funds	(8)	-	(8)
<b>Charitable activities</b>			
Benslow Musical Loan Scheme	196,402	12,788	209,190
<b>Total</b>	196,394	12,788	209,182
Net gains on investments	<u>381,988</u>	<u>-</u>	<u>381,988</u>
<b>NET INCOME/(EXPENDITURE)</b>	452,190	(12,788)	439,402
<b>Transfers between funds</b>	<u>(12,788)</u>	<u>12,788</u>	<u>-</u>
<b>Net movement in funds</b>	439,402	-	439,402
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	3,106,960	-	3,106,960
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>3,546,362</u></u>	<u><u>-</u></u>	<u><u>3,546,362</u></u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6. TANGIBLE FIXED ASSETS**

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 January 2021	648,250	36,749	2,692,802	11,637	3,389,438
Additions	27,788	149	176,248	-	204,185
Disposals	-	-	(72,210)	-	(72,210)
Revaluations	-	-	62,972	-	62,972
	<u>676,038</u>	<u>36,898</u>	<u>2,859,812</u>	<u>11,637</u>	<u>3,584,385</u>
At 31 December 2021					
<b>DEPRECIATION</b>					
At 1 January 2021	12,965	33,076	-	8,440	54,481
Charge for year	13,521	796	-	766	15,083
	<u>26,486</u>	<u>33,872</u>	<u>-</u>	<u>9,206</u>	<u>69,564</u>
At 31 December 2021					
<b>NET BOOK VALUE</b>					
At 31 December 2021	<u>649,552</u>	<u>3,026</u>	<u>2,859,812</u>	<u>2,431</u>	<u>3,514,821</u>
At 31 December 2020	<u>635,285</u>	<u>3,673</u>	<u>2,692,802</u>	<u>3,197</u>	<u>3,334,957</u>

Cost or valuation at 31 December 2021 is represented by:

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
Cost	<u>676,038</u>	<u>36,898</u>	<u>2,859,812</u>	<u>11,637</u>	<u>3,584,385</u>

Musical Instruments - the Scheme's policy is only to sell or dispose of instruments where they are deemed unsuitable for purpose. Occasionally this may include instruments which prove unappealing to borrowers, when they may be disposed of or returned to the owner as appropriate. The overall instrument stock forms no part of any collateral given or contemplated.

As noted above the total owned instrument stock reflects the aggregate of individual valuations under constant review. The market for instruments is a highly specialised one and much distorted in recent years by the perception of 'named' musical instruments as a pure investment asset. To keep our aggregate book value within bounds we have applied a discount of 20% to the insurance valuation and the discounted figure is the figure of £2,859,812 included above.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.21	31.12.20
	£	£
Trade debtors	55,313	45,697
Other debtors	<u>16,331</u>	<u>52,868</u>
	<u>71,644</u>	<u>98,565</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.12.21	31.12.20
	£	£
Trade creditors	61,660	57,830
Other creditors	<u>17,009</u>	<u>9,555</u>
	<u>78,669</u>	<u>67,385</u>

Trade creditors represents the deposits held for instruments out on loan.

9. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	Transfers between funds	At 31.12.21
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	753,560	163,708	(116,850)	800,418
Designated Musical instruments	2,692,802	62,972	104,038	2,859,812
Aston Development Fund	<u>100,000</u>	-	-	<u>100,000</u>
	3,546,362	226,680	(12,812)	3,760,230
<b>Restricted funds</b>				
Bursary fund	-	(12,812)	12,812	-
	<u>3,546,362</u>	<u>213,868</u>	<u>-</u>	<u>3,760,230</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	325,405	(161,697)	-	163,708
Designated Musical instruments	<u>-</u>	<u>-</u>	<u>62,972</u>	<u>62,972</u>
	325,405	(161,697)	62,972	226,680
<b>Restricted funds</b>				
Bursary fund	-	(12,812)	-	(12,812)
	<u>325,405</u>	<u>(174,509)</u>	<u>62,972</u>	<u>213,868</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**9. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	592,280	(29,798)	191,078	753,560
Designated Musical instruments	2,241,550	381,988	69,264	2,692,802
Designated Buckley fund	273,130	-	(273,130)	-
Aston Development Fund	-	100,000	-	100,000
	<u>3,106,960</u>	<u>452,190</u>	<u>(12,788)</u>	<u>3,546,362</u>
<b>Restricted funds</b>				
Bursary fund	-	(12,788)	12,788	-
	<u>-</u>	<u>(12,788)</u>	<u>12,788</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u><u>3,106,960</u></u>	<u><u>439,402</u></u>	<u><u>-</u></u>	<u><u>3,546,362</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	166,596	(196,394)	-	(29,798)
Designated Musical instruments	-	-	381,988	381,988
Aston Development Fund	100,000	-	-	100,000
	<u>266,596</u>	<u>(196,394)</u>	<u>381,988</u>	<u>452,190</u>
<b>Restricted funds</b>				
Bursary fund	-	(12,788)	-	(12,788)
	<u>-</u>	<u>(12,788)</u>	<u>-</u>	<u>(12,788)</u>
<b>TOTAL FUNDS</b>	<u><u>266,596</u></u>	<u><u>(209,182)</u></u>	<u><u>381,988</u></u>	<u><u>439,402</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	592,280	133,910	74,228	800,418
Designated Musical instruments	2,241,550	444,960	173,302	2,859,812
Designated Buckley fund	273,130	-	(273,130)	-
Aston Development Fund	-	100,000	-	100,000
	<u>3,106,960</u>	<u>678,870</u>	<u>(25,600)</u>	<u>3,760,230</u>
<b>Restricted funds</b>				
Bursary fund	-	(25,600)	25,600	-
	<u>-</u>	<u>(25,600)</u>	<u>25,600</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u><u>3,106,960</u></u>	<u><u>653,270</u></u>	<u><u>-</u></u>	<u><u>3,760,230</u></u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**9. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	492,001	(358,091)	-	133,910
Designated Musical instruments	-	-	444,960	444,960
Aston Development Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	592,001	(358,091)	444,960	678,870
<b>Restricted funds</b>				
Bursary fund	-	(25,600)	-	(25,600)
	<u>592,001</u>	<u>(383,691)</u>	<u>444,960</u>	<u>653,270</u>

**General**

This fund represents the accumulated surplus arising from the general activity of the Scheme after allocating income and expenditure to other funds where appropriate and is consistent with the policy of the Governors.

**Designated fund - Musical instruments**

This fund represents the total value of musical instruments owned by the Scheme, although it should be noted the operational stock includes substantial numbers of instruments placed in the Scheme by supporters. As noted in 9 above the Scheme only parts with instruments if they are deemed unsuitable for purpose, and the Governors therefore consider that for accounting clarity the proportion of general reserves representing the net aggregate value should be shown as a separate item.

**Designated fund - Buckley fund**

This fund represented the sale proceeds of an antique cello originally donated in 2007. Last year the funds held were used to help fund the new purpose built building built for use by the Scheme. All funds were transferred to the general fund last year.

**Designated fund - Aston Development Fund**

This fund represents a donation to the Scheme by Tony Aston, former Governor and Chair of the Scheme and former trustee of Benslow Music Trust. The fund is to allow the Scheme to continue to develop in the future.

**Bursary fund**

The Scheme maintains its charges to borrowers at a low level and these primarily reflect only the direct cost of maintaining and insuring the instruments. To meet cases of extreme hardship however, bursaries are given that further reduce these charges and in 2021 awards totalling £12,812 were given. These are shown separately on the Statement of Financial Activities, being effectively a reduction in the year's income.

**Transfers between funds**

The transfer from the unrestricted funds to the bursary fund has been made as no designated funds are currently held for this purpose.

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. RELATED PARTY DISCLOSURES**

A management charge of £22,000 was paid to Benslow Music Trust, the sole Trustee, for the year ended 31 December 2021 (2020: £22,000). This covered premises, facilities and other support activities.

At the end of the year £7,753 was owed to Benslow Music Trust (Owed by BMT at 31 December 2020: £33,456).

**BENLOW MUSIC INSTRUMENT LOAN SCHEME**

England & Wales - Charity number 313755

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# Accounts

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**REPORT OF THE TRUSTEES AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**  
**FOR**  
**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Page</b>
<b>Report of the Trustees</b>	1 to 4
<b>Trustees' Responsibility Statement</b>	5
<b>Independent Examiner's Report</b>	6
<b>Statement of Financial Activities</b>	7
<b>Statement of Financial Position</b>	8
<b>Notes to the Financial Statements</b>	9 to 16

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 DECEMBER 2020**

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2020. The trustee has adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Scheme was founded in 1932 to provide suitable instruments for promising music students, such instruments being frequently beyond their means. Owners of such instruments were invited to lend or donate them to the Scheme, which would then become a vehicle to care for and maintain them and lend them onwards to promising pupils. It was envisaged from the outset that would-be borrowers would be required to provide evidence of musical ability and promise from suitably qualified sources, and show inability to obtain or afford appropriate instruments from their own or family resources. Appropriate guarantees would also be sought for applicants below the age of 18.

The Scheme focuses mainly on stringed instruments, all of which with suitable maintenance may be expected to have indefinite lifetimes. It also has several harps and a small number of woodwind instruments. During the past decade the Scheme has more than doubled in size measured by instruments available (currently 850 instruments) divided approximately equally between instruments lent to the Scheme and instruments owned by it. There is no equivalent scheme of comparable size in the UK. Borrowers range from 7 years up to the age of 25, the average loan being in the order of 4 years.

##### **Main activities**

For most of its early existence the Scheme was run on a wholly voluntary basis until it was saved from collapse in the late 1980s by Benslow Music Trust. It continues to be a fundamental objective of the Scheme that it should be run on a low overhead basis to enable charges to borrowers to be minimised.

To maintain the flow of borrowers, lenders of instruments and supporters, the Scheme promotes itself to the music teaching profession and other musical institutions throughout the UK by contacts, word of mouth, participation in events and through social media. It is greatly aided in this by its connection and location on campus with Benslow Music Trust where there is a regular footfall of amateur musicians, professional tutors and the public through related musical events. It also maintains connections through instrument repairers country-wide.

The scope of the Scheme is limited by its stock variety and condition and to this end it maintains continuous and meticulous attention to instrument quality and condition whether in stock or borrowers' hands. It monitors changing requirements ensuring that valuations for the purposes of insurance are current. In recent years, continuous and incremental increases in market value of fine stringed instruments has resulted in higher insurance costs.

We continue to seek to ensure that each applicant borrows an instrument most suited to their needs and that our overall stock is appropriate to those needs. Considerable effort is made to reassure lenders of instruments to the Scheme that their instruments are well maintained, insured and contribute to our declared objectives.

##### **Public benefit**

When planning our activities for the year we have considered the Charity Commission's guidance on public benefit. Any potential borrower meeting the criteria of musical ability and need may apply either directly or through a parent or guardian. Every applicant is made aware of the availability of bursaries and we seek to encourage applications from a wide range of backgrounds.

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The Scheme has managed to sustain its borrower base throughout this unprecedented year and continued to maintain and monitor the condition of existing instruments. Insurance valuations are constantly reviewed and adjusted with the help of our on-site luthier.

##### **New Building**

Final completion and handover of a new building for the Scheme was achieved in June 2020 enabling staff to move all stock into a secure, purpose-built storage facility and occupation of the office in August. A much improved and spacious workshop allows a far greater range of maintenance and repair work to take place on the premises.

Appointments for borrowers recommenced at the start of September following the lifting of lockdown restrictions due to the Coronavirus pandemic, although they ceased again at the subsequent lockdown.

We hope that once we are able to begin normal operations again we will be able to expand our services and extend our facilities to provide a unique on-site instrument centre with a wider range of instruments than currently available.

Tony Aston, Chairman of the Scheme's Governors, retired in July after over 14 years of dedicated service. He will be remembered for his vision and driving force enabling the scheme to develop significantly. The new building is to be named for him, thus becoming The Aston Building.

#### **FINANCIAL REVIEW**

##### **Financial position**

The Loan Scheme has survived the Covid-19 pandemic. We have heard from many students that they have been practising more and taking joy from their instruments during lockdown. Whilst some customers have asked to return instruments, there are an equal number of new students asking to join the scheme and we are confident that interest in the scheme remains unaffected. Numbers of students and new uptake is being constantly monitored.

The instalment payment plan offered by the scheme accounts for over 90% of payments, ensuring cash flow into the scheme has remained constant. Fewer than 1% of borrowers have defaulted over the year. The recent appointment of a Finance Officer for the scheme has helped to bring customer accounts up to date and has enabled clear budget monitoring and cash flow reports.

The scheme has benefited particularly from a large donation from our former Chairman Tony Aston, for which we are enormously grateful. However overall numbers of donations are down, with the Friends' scheme only ticking over.

Although the scheme has ended the year with a good cash position, this will be carefully monitored during 2021 to assess potential delayed impact from the pandemic.

##### **Impact of the coronavirus pandemic**

The effect of a prolonged lockdown resulted in a 50% drop in applications and new borrowers in 2020, although the total number of borrowers on the books remained steady. In September and December the Scheme was able to run a limited number of Covid-compliant appointments and applications picked up. However, any further future lockdowns may create a backlog of students wishing to borrow or return an instrument which will result in loss of revenue. Instrument loans and donations also reduced by 75%.

The impact of the pandemic was felt by all staff in the Scheme as the site shut down and staff were placed on furlough. Sadly it also led to losing our Marketing and Development Co-ordinator Hazel Bliss through redundancy. Hazel was a valued member of staff to whom thanks and appreciation are extended, particularly for her work creating and maintaining the Scheme's website and social media platforms.

##### **Reserves policy**

It remains our policy to maintain reserves at least equivalent to twelve months running cost as well as providing the ability to acquire worthwhile instruments which become available to us.

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Scheme is structured as an unincorporated trust registered as a charity with Benslow Music Trust as its sole corporate trustee. It is supervised by a committee of Governors appointed annually by Benslow Music Trust. The Governors elect their own Chairman who must also be a Trustee of Benslow Music Trust.

The Scheme has no formal Trust document but its primary objectives remain substantially as set out by its original founders in a letter published in 'The Times' edition dated 23 January 1932 (see Objectives and Activities above).

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

313755

##### **Principal address**

Benslow Music  
Benslow Lane  
Hitchin  
Hertfordshire  
SG4 9RB

##### **Trustees**

Benslow Music Trust

Registered Company Number: 00408404

Registered Charity Number: 313663

Trustees of Benslow Music Trust at 31 December 2020

Peter Neville - Chairman

Michael Taylor - Vice-Chairman

Bhagwant Singh - Hon. Treasurer

Andrew Baruch, Colin Bates, Anne Conchie, Tim Gillott, Norma King, John Witchell, Susan Sturrock, Katherine Hamilton and Sadasivam Selvakumar

Mark Bowen - Hon. Secretary

##### **Governors of Loan Scheme**

John Witchell - Acting Chairman of the Governors

Rosalind Hedley Miller

Joely Koos

Peter Neville

Sandra Saunders (Kyriakides)

Michael Taylor

##### **Independent Examiner**

Bradshaw Johnson

Chartered Accountants

Croft Chambers

11 Bancroft

Hitchin

Hertfordshire

SG5 1JQ

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Bankers**

Barclays Bank plc  
5/6 High Street  
Hitchin  
Herts  
SG5 1BJ

CCLA Fund Managers Limited  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

**Scheme Manager** - Alison Palmer

Approved by order of the board of trustees on 8 May 2021 and signed on its behalf by:

John Witchell  
Trustee – Benslow Music Trust

## **BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

### **TRUSTEES' RESPONSIBILITY STATEMENT** **FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**Independent examiner's report to the trustees of Benslow Musical Instrument Loan Scheme**

I report to the charity trustees on my examination of the accounts of Benslow Musical Instrument Loan Scheme (the Trust) for the year ended 31 December 2020.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Neil Harding FCA  
Institute of Chartered Accountants in England and Wales  
Bradshaw Johnson  
Chartered Accountants  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

Date: 12 May 2021

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		127,528	-	127,528	170,348
Other trading activities	2	559	-	559	2,967
Other income		<u>127,982</u>	<u>-</u>	<u>127,982</u>	<u>153,339</u>
<b>Total</b>		256,069	-	256,069	326,654
<b>EXPENDITURE ON</b>					
Raising funds		(8)	-	(8)	2,197
<b>Charitable activities</b>					
Benslow Musical Loan Scheme		<u>185,875</u>	<u>12,788</u>	<u>198,663</u>	<u>189,039</u>
<b>Total</b>		185,867	12,788	198,655	191,236
Net gains on investments		<u>381,988</u>	<u>-</u>	<u>381,988</u>	<u>125,044</u>
<b>NET INCOME/(EXPENDITURE)</b>		452,190	(12,788)	439,402	260,462
<b>Transfers between funds</b>	9	<u>(12,788)</u>	<u>12,788</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		439,402	-	439,402	260,462
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>3,106,960</u>	<u>-</u>	<u>3,106,960</u>	<u>2,846,498</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>3,546,362</u></u>	<u><u>-</u></u>	<u><u>3,546,362</u></u>	<u><u>3,106,960</u></u>

The notes form part of these financial statements

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**STATEMENT OF FINANCIAL POSITION**  
**31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	3,334,957	-	3,334,957	2,806,966
<b>CURRENT ASSETS</b>					
Debtors	7	98,565	-	98,565	55,242
Cash at bank		<u>180,225</u>	<u>-</u>	<u>180,225</u>	<u>334,954</u>
		278,790	-	278,790	390,196
<b>CREDITORS</b>					
Amounts falling due within one year	8	(67,385)	-	(67,385)	(90,202)
		<u>211,405</u>	<u>-</u>	<u>211,405</u>	<u>299,994</u>
<b>NET CURRENT ASSETS</b>					
		<u>211,405</u>	<u>-</u>	<u>211,405</u>	<u>299,994</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,546,362</u>	<u>-</u>	<u>3,546,362</u>	<u>3,106,960</u>
<b>NET ASSETS</b>		<u><u>3,546,362</u></u>	<u><u>-</u></u>	<u><u>3,546,362</u></u>	<u><u>3,106,960</u></u>
<b>FUNDS</b>	9				
Unrestricted funds:					
General fund				753,560	592,280
Designated Musical instruments				2,692,802	2,241,550
Designated Buckley fund				-	273,130
Aston Development Fund				<u>100,000</u>	<u>-</u>
				<u>3,546,362</u>	<u>3,106,960</u>
<b>TOTAL FUNDS</b>				<u><u>3,546,362</u></u>	<u><u>3,106,960</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8 May 2021 and were signed on its behalf by:

John Witchell  
Trustee – Benslow Music Trust

The notes form part of these financial statements

## BENSLOW MUSICAL INSTRUMENT LOAN SCHEME

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Benslow Musical Instrument Loan Scheme meets the definition of a public benefit entity under FRS 102.

##### **Income**

Income is included in the Statement of Financial Activities when:

- the Scheme becomes entitled to the donation, legacy or similar income and any conditions for receipt are met;
- the Scheme is virtually certain that it will receive it; and
- the Scheme is reasonably certain that the value can be reliably measured.

Donated instruments are included in the accounts in the year in which the instrument is received. The Scheme's policy is only to dispose of instruments where they are unsuitable for the Scheme's objectives.

Income from tax claims is included in the accounts at the same time as the gift to which it relates. Income from legacies is included when the Scheme has been notified of an impending distribution or the legacy being received.

Administration charges (from lending instruments) represent amounts invoiced in the year for the rental of musical instruments.

All income is stated gross and is wholly derived in the United Kingdom.

##### **Expenditure**

Expenditure is recognised in the year in which it is incurred.

Charitable expenditure comprises those costs incurred by the Scheme 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 to support them. This includes those incurred in connection with administration of the Scheme and compliance with constitutional and statutory requirements.

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

Fixed assets are stated at cost less accumulated depreciation. Minor additions of less than £50 are not capitalised.

Musical Instruments donated to the Scheme are initially valued professionally and included on that basis. Instruments purchased are included at cost. The individual values of all instruments are continuously reviewed on a rolling basis - primarily for insurance purposes - and adjustments made where necessary.

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

Freehold property	- 2% straight line
Musical Instruments	- Not depreciated
Instrument cases and equipment	- 10% straight line
Office equipment	- 20% straight line

Depreciation is not provided on musical instruments individually but an annual adjustment is made to reflect value changes arising from reviews during the year and acquisitions and disposals. A view is also taken at the time of the overall reserve provided against the aggregate musical instrument stock valuation (see Note 6).

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES - continued**

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Scheme and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Scheme for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. OTHER TRADING ACTIVITIES**

	31.12.20	31.12.19
	£	£
Deposit account interest	<u>559</u>	<u>2,967</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**4. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	31.12.20	31.12.19
Lending instruments / administration	<u>3</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**5. 2019 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	170,348	-	170,348
Other trading activities	2,967	-	2,967
Other income	<u>153,339</u>	<u>-</u>	<u>153,339</u>
<b>Total</b>	326,654	-	326,654
<b>EXPENDITURE ON</b>			
Raising funds	2,197	-	2,197
<b>Charitable activities</b>			
Benslow Musical Loan Scheme	172,129	16,910	189,039
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total</b>	174,326	16,910	191,236
Net gains on investments	<u>125,044</u>	<u>-</u>	<u>125,044</u>
<b>NET INCOME/(EXPENDITURE)</b>	277,372	(16,910)	260,462
<b>Transfers between funds</b>	<u>(16,910)</u>	<u>16,910</u>	<u>-</u>
<b>Net movement in funds</b>	260,462	-	260,462
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	2,846,498	-	2,846,498
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>3,106,960</u></u>	<u><u>-</u></u>	<u><u>3,106,960</u></u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. TANGIBLE FIXED ASSETS**

	Freehold property £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 January 2020	420,253	36,749	2,381,514	8,419	2,846,935
Additions	227,997	-	19,400	3,218	250,615
Disposals	-	-	(90,100)	-	(90,100)
Revaluations	-	-	381,988	-	381,988
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
At 31 December 2020	<u>648,250</u>	<u>36,749</u>	<u>2,692,802</u>	<u>11,637</u>	<u>3,389,438</u>
<b>DEPRECIATION</b>					
At 1 January 2020	-	32,295	-	7,674	39,969
Charge for year	12,965	781	-	766	14,512
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
At 31 December 2020	<u>12,965</u>	<u>33,076</u>	<u>-</u>	<u>8,440</u>	<u>54,481</u>
<b>NET BOOK VALUE</b>					
At 31 December 2020	<u>635,285</u>	<u>3,673</u>	<u>2,692,802</u>	<u>3,197</u>	<u>3,334,957</u>
At 31 December 2019	<u>420,253</u>	<u>4,454</u>	<u>2,381,514</u>	<u>745</u>	<u>2,806,966</u>

Musical Instruments - the Scheme only sells or disposes of instruments where they are deemed unsuitable for purpose. Occasionally this may include instruments which prove unappealing to borrowers, when they may be disposed of or returned to the owner as appropriate. The overall instrument stock forms no part of any collateral given or contemplated.

As noted above the total owned instrument stock reflects the aggregate of individual valuations under constant review. The market for instruments is a highly specialised one and much distorted in recent years by the perception of 'named' musical instruments as a pure investment asset. To keep our aggregate book value within bounds we have applied a discount of 20% to the insurance valuation and the discounted figure is the figure of £2,692,802 included above.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.12.19
	£	£
Trade debtors	45,697	53,518
Other debtors	<u>52,868</u>	<u>1,724</u>
	<u>98,565</u>	<u>55,242</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.12.19
	£	£
Trade creditors	57,830	60,123
Other creditors	<u>9,555</u>	<u>30,079</u>
	<u>67,385</u>	<u>90,202</u>

Trade creditors represents the deposits held for instruments out on loan.

**9. MOVEMENT IN FUNDS**

	At 1.1.20	Net movement	Transfers	At
	£	in funds	between	31.12.20
		£	funds	£
			£	
<b>Unrestricted funds</b>				
General fund	592,280	(29,798)	191,078	753,560
Designated Musical instruments	2,241,550	381,988	69,264	2,692,802
Designated Buckley fund	273,130	-	(273,130)	-
Aston Development Fund	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	3,106,960	452,190	(12,788)	3,546,362
<b>Restricted funds</b>				
Bursary fund	<u>-</u>	<u>(12,788)</u>	<u>12,788</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>3,106,960</u>	<u>439,402</u>	<u>-</u>	<u>3,546,362</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	156,069	(185,867)	-	(29,798)
Designated Musical instruments	-	-	381,988	381,988
Aston Development Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	256,069	(185,867)	381,988	452,190
<b>Restricted funds</b>				
Bursary fund	<u>-</u>	<u>(12,788)</u>	<u>-</u>	<u>(12,788)</u>
<b>TOTAL FUNDS</b>	<u>256,069</u>	<u>(198,655)</u>	<u>381,988</u>	<u>439,402</u>

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**9. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	359,767	275,638	(43,125)	592,280
Designated Musical instruments	2,184,390	-	57,160	2,241,550
Designated Buckley fund	<u>302,341</u>	<u>1,734</u>	<u>(30,945)</u>	<u>273,130</u>
	2,846,498	277,372	(16,910)	3,106,960
<b>Restricted funds</b>				
Bursary fund	-	(16,910)	16,910	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u><u>2,846,498</u></u>	<u><u>260,462</u></u>	<u><u>-</u></u>	<u><u>3,106,960</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	324,920	(174,326)	125,044	275,638
Designated Buckley fund	<u>1,734</u>	<u>-</u>	<u>-</u>	<u>1,734</u>
	326,654	(174,326)	125,044	277,372
<b>Restricted funds</b>				
Bursary fund	-	(16,910)	-	(16,910)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u><u>326,654</u></u>	<u><u>(191,236)</u></u>	<u><u>125,044</u></u>	<u><u>260,462</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	359,767	245,840	147,953	753,560
Designated Musical instruments	2,184,390	381,988	126,424	2,692,802
Designated Buckley fund	302,341	1,734	(304,075)	-
Aston Development Fund	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	2,846,498	729,562	(29,698)	3,546,362
<b>Restricted funds</b>				
Bursary fund	-	(29,698)	29,698	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUNDS</b>	<u><u>2,846,498</u></u>	<u><u>699,864</u></u>	<u><u>-</u></u>	<u><u>3,546,362</u></u>

## BENSLOW MUSICAL INSTRUMENT LOAN SCHEME

### NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	480,989	(360,193)	125,044	245,840
Designated Musical instruments	-	-	381,988	381,988
Designated Buckley fund	1,734	-	-	1,734
Aston Development Fund	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	582,723	(360,193)	507,032	729,562
<b>Restricted funds</b>				
Bursary fund	-	(29,698)	-	(29,698)
	<u>582,723</u>	<u>(389,891)</u>	<u>507,032</u>	<u>699,864</u>

#### General

This fund represents the accumulated surplus arising from the general activity of the Scheme after allocating income and expenditure to other funds where appropriate and is consistent with the policy of the Governors.

#### Designated fund - Musical instruments

This fund represents the total value of musical instruments owned by the Scheme, although it should be noted the operational stock includes substantial numbers of instruments placed in the Scheme by supporters. As noted in 9 above the Scheme only parts with instruments if they are deemed unsuitable for purpose, and the Governors therefore consider that for accounting clarity the proportion of general reserves representing the net aggregate value should be shown as a separate item.

#### Designated fund - Buckley fund

This fund represented the sale proceeds of an antique cello originally donated in 2007. During the year the funds held were used to help fund the new purpose built building built for use by the Scheme. All funds have been transferred to the general fund in the year.

#### Designated fund - Aston Development Fund

This fund represents a donation to the Scheme by Tony Aston, former Governor and Chair of the Scheme and former trustee of Benslow Music Trust. The fund is to allow the Scheme to continue to develop in the future.

#### Bursary fund

The Scheme maintains its charges to borrowers at a low level and these primarily reflect only the direct cost of maintaining and insuring the instruments. To meet cases of extreme hardship however, bursaries are given that further reduce these charges and in 2020 awards totalling £12,788 were given. These are shown separately on the Statement of Financial Activities, being effectively a reduction in the year's income.

#### Transfers between funds

The transfer from the unrestricted funds to the bursary fund has been made as no designated funds are currently held for this purpose.

**BENSLOW MUSICAL INSTRUMENT LOAN SCHEME**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**10. RELATED PARTY DISCLOSURES**

A management charge of £22,000 was paid to Benslow Music Trust, the sole Trustee, for the year ended 31 December 2020 (2019: £22,000). This covered premises, facilities and other support activities. At the end of the year Benslow Music Trust owed £33,456 (Owed by BMT 2019: £398) principally due to funds having been received into BMT on behalf of BMILS late in the financial year as part of Tony Aston's generous donation, but which had not been transferred to BMILS at the year end.