

REGISTERED COMPANY NUMBER: 02233308 (England and Wales)  
REGISTERED CHARITY NUMBER: 701309

**Report of the Trustees and  
Financial Statements for the Year Ended 31st August 2021  
for  
The Elgar School Of Music Limited**

A J Peach & Co Limited  
Chartered Accountants  
104 Grasshopper Avenue  
St Peters  
Worcester  
Worcestershire  
WR5 3TB

# **The Elgar School Of Music Limited**

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**The Elgar School Of Music Limited**

**Reference and Administrative Details  
for the Year Ended 31st August 2021**

<b>TRUSTEES</b>	C J B Allsop Chair (resigned 7.1.21) Mrs S I Humes P Sheeran (Chair) N P Sandy I Venables Ms K Dixon Director (appointed 19.2.21)
<b>COMPANY SECRETARY</b>	P Sheeran
<b>REGISTERED OFFICE</b>	16-20 Deansway Worcester WR1 2ES
<b>REGISTERED COMPANY NUMBER</b>	02233308 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	701309
<b>INDEPENDENT EXAMINER</b>	A J Peach & Co Limited Chartered Accountants 104 Grasshopper Avenue St Peters Worcester Worcestershire WR5 3TB
<b>BANKERS</b>	HSBC 4-6 Broad Street Worcester WR1 2EJ

## **The Elgar School Of Music Limited**

### **Report of the Trustees for the Year Ended 31st August 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2021. The trustees have 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) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

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

The principal object of the company in the period under review was that of a registered charity engaged in the promotion and provision of music education, and in nurturing a comprehensively inclusive community through live music opportunities. The objects were achieved by the provision of music lessons and musical activities.

##### **Public benefit**

The trustees confirm that they have complied with the duty in Section 17(5) of the 2011 Charities Act to have due regard to guidance on public benefit published by the Charity Commission when reviewing the charity's objectives and in planning future activities.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **September 2020-September 2021**

For the majority of the year, the restrictions put in place to tackle COVID continued to apply, with lessons on-line only and little if no group activity. Our staff were furloughed.

Things began to move back towards normal in the Summer of 2021, and the mix of on-line and face-to-face lessons starting to tend strongly towards the latter. Our COVID procedures continued to be strictly enforced, providing a safe environment for teaching; as a result we were one of the few centres in the Midlands to be chosen to host ABRSM exams throughout the year.

These procedures meant that our recital room could only be used for groups of 8 people or less, but our burgeoning relationship with Worcester Theatres and Worcester City Council enabled us to hire without charge larger spaces in the Guildhall and The Swan Theatre for groups such as our Community Choir and String Orchestra.

All the staff deserve great credit for managing to keep our show on the road in very, very challenging circumstances.

##### **Plans for the Future**

The past 18 months have been catastrophic for the performing arts and we have felt more acutely aware than ever before of how crucial what we offer is - involvement in live music-making enables individual growth and nurtures community in ways that are uniquely valuable. We shall therefore continue to develop relationships with local city governance, groups and county arts organisations (who suffered in much the same way that we did).

We will continue to offer online learning for those who wish for it but the majority of lessons will now be face to face. Sessions with our special needs Virtuosi have been suspended due to COVID but during the new year we hope to be able to re-start them in some form.

The back-log of administrative tasks occasioned by furlough will present a major challenge for the new academic year 2021-22, but our intention to automate these as much as possible will proceed apace now that funding has been approved for the upgrading of our wi-fi environment.

#### **FINANCIAL REVIEW**

The net result for the year was a surplus of £65,760 (2020: deficit £6,214). This comprised of a surplus on unrestricted funds of £61,780 (2020: deficit £5,365) and a surplus on restricted funds of £3,980 (2020: deficit £849). Unrestricted reserves, excluding fixed assets, held at 31 August 2021 were £58,024 (2020: deficit £3,754).

Total reserves as at 31 August 2021 were £86,988 (2020: £21,228).

The trustees consider that an appropriate minimum level of free reserves should be four months of the charity support costs which represents a figure of £20,000. Whilst the current level of reserves satisfy this policy, the trustees are aware that the charity was in receipt of government assistance this year in order to ease the burden of Covid. The trustees are aiming to increase reserves to approximately four month's support cost expenditure in the short term and then to six months to support cost expenditure (£31,000) in the medium term.

# **The Elgar School Of Music Limited**

## **Report of the Trustees for the Year Ended 31st August 2021**

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

#### **Governing document**

The charitable company is controlled by its governing document, the Memorandum & Articles of Association dated 21 March 1988, as amended by special resolution 27 February 1989, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### **Recruitment and appointment of new trustees**

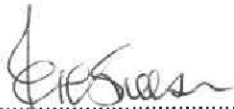
Trustees are appointed, by the members in general meeting. New trustees are provided with copies of the most recent annual report and accounts, a role description of the responsibilities of a trustee, a copy of the Memorandum and Articles of Association of Elgar School of Music Limited, copies of recent minutes of meetings and a copy of the Charity Commission publication, "Responsibilities of Charity Trustees". New trustees also have an induction session with the Chair.

#### **Risk management**

The school's management and governing body are continually monitoring and assessing potential risk. The main areas of focus are Health and Safety and Child Protection. All policies are reviewed and updated annually and made available to all members of staff, self employed tutors and users of the school. There have been no incidents to report and the school continues to ensure safe and legal practices.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ..... 27/5/22 ..... and signed on its behalf by:



.....  
P Sheeran - Trustee

**Independent Examiner's Report to the Trustees of  
The Elgar School Of Music Limited**

**Independent examiner's report to the trustees of The Elgar School Of Music Limited ('the Company')**

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

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

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

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

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



A J Peach & Co Limited  
Chartered Accountants  
104 Grasshopper Avenue  
St Peters  
Worcester  
Worcestershire  
WR5 3TB

Date: 26 May 2022

The Elgar School Of Music Limited

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31st August 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	4	89,107	5,400	94,507	23,310
<b>Charitable activities</b>	6				
Charitable Activities		95,221	-	95,221	112,755
Investment income	5	<u>3</u>	<u>-</u>	<u>3</u>	<u>19</u>
<b>Total</b>		<b>184,331</b>	<b>5,400</b>	<b>189,731</b>	<b>136,084</b>
 <b>EXPENDITURE ON</b>					
Raising funds		216	-	216	-
<b>Charitable activities</b>	7				
Charitable Activities		122,335	1,420	123,755	142,298
<b>Total</b>		<b>122,551</b>	<b>1,420</b>	<b>123,971</b>	<b>142,298</b>
 <b>NET INCOME/(EXPENDITURE)</b>		<b>61,780</b>	<b>3,980</b>	<b>65,760</b>	<b>(6,214)</b>
Transfers between funds	19	<u>(450)</u>	<u>450</u>	<u>-</u>	<u>-</u>
Net movement in funds		61,330	4,430	65,760	(6,214)
 <b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>14,218</u>	<u>7,010</u>	<u>21,228</u>	<u>27,442</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>75,548</u></b>	<b><u>11,440</u></b>	<b><u>86,988</u></b>	<b><u>21,228</u></b>

The notes form part of these financial statements

**The Elgar School Of Music Limited**

**Balance Sheet  
31st August 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	14	17,524	222	17,746	18,219
<b>CURRENT ASSETS</b>					
Debtors	15	26,072	-	26,072	8,693
Cash at bank and in hand		39,062	11,218	50,280	2,910
		65,134	11,218	76,352	11,603
<b>CREDITORS</b>					
Amounts falling due within one year	16	(7,110)	-	(7,110)	(8,594)
<b>NET CURRENT ASSETS</b>		58,024	11,218	69,242	3,009
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		75,548	11,440	86,988	21,228
<b>NET ASSETS</b>		75,548	11,440	86,988	21,228
<b>FUNDS</b>	19				
Unrestricted funds				75,548	14,218
Restricted funds				11,440	7,010
<b>TOTAL FUNDS</b>				86,988	21,228

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st August 2021.

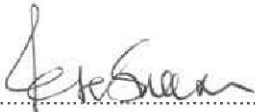
The members have not required the company to obtain an audit of its financial statements for the year ended 31st August 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 27/5/22 and were signed on its behalf by:

  
P Sheeran - Trustee



## **The Elgar School Of Music Limited**

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

#### **1. STATUTORY INFORMATION**

The charity is a company limited by guarantee. The members of the company are the trustees named in the Trustees' Report. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1.

#### **2. ACCOUNTING POLICIES**

##### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity is exempt from preparing a cashflow statement on the grounds that it is not a large charity.

##### **INCOME**

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

Grant income, including government grant income, is recognised on a performance basis.

Income from charitable activities for services provided is recognised in line with the provision of those services.

##### **EXPENDITURE**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **TANGIBLE FIXED ASSETS**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Musical instruments, equipment - 10% on reducing balance

Assets costing less than £100 are not capitalised.

##### **TAXATION**

The charity is exempt from corporation tax on its charitable activities.

##### **FUND ACCOUNTING**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **LEASING COMMITMENTS**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **PENSION COSTS**

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

# The Elgar School Of Music Limited

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

### 2. ACCOUNTING POLICIES - continued

#### DONATED GOODS AND SERVICES

Donated goods and services are measured at fair value when control over the economic benefit has passed to the charity.

#### FINANCIAL INSTRUMENTS

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

#### Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction cost.

### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The most critical accounting judgement is in setting the depreciation rates for tangible fixed assets. Details for these rates can be found in the accounting policies in note 2. The carrying value of tangible fixed assets can be found in note 14.

Another critical accounting judgement is in identifying accrued income where invoices had not been raised to customers during the current financial year. The value of accrued income can be found in note 15.

### 4. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	9,390	400	9,790	6,566
Gift aid	-	-	-	1,103
Grants	78,017	5,000	83,017	14,021
Donated services and facilities	1,700	-	1,700	1,620
	<u>89,107</u>	<u>5,400</u>	<u>94,507</u>	<u>23,310</u>

#### DONATED SERVICES AND FACILITIES

The donated services and facilities of £1,700 (2020: £1,620) relates to the donated independent examination services provided during the year.

**The Elgar School Of Music Limited**

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

**4. DONATIONS AND LEGACIES - continued**

Grants received, included in the above, are as follows:

	2021 £	2020 £
HMRC - Coronavirus Job Retention Scheme	14,874	9,021
Limoges Charitable Trust	5,000	5,000
Worcester City Council	53,143	-
Worcester Community Foundation	10,000	-
	<u>83,017</u>	<u>14,021</u>

**5. INVESTMENT INCOME**

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Deposit account interest	<u>3</u>	<u>-</u>	<u>3</u>	<u>19</u>

**6. INCOME FROM CHARITABLE ACTIVITIES**

	2021 Charitable Activities £	2020 Total activities £
Registration fees	320	525
Music lessons	84,333	89,421
Exam fees	3,604	2,413
Accompanist charges	238	-
Classes and groups	1,873	14,222
Room hire	4,191	2,710
School concerts and talks	-	957
Workshops and courses	-	(5)
Music Library	502	2,314
Sundry income	160	198
	<u>95,221</u>	<u>112,755</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
Charitable Activities	<u>63,771</u>	<u>59,984</u>	<u>123,755</u>

**The Elgar School Of Music Limited**

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

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2021	2020
	£	£
Music lessons	50,709	57,945
Exam fees	4,111	2,645
School concert and talks	-	1,213
Bursaries and awards	-	379
Classes and groups	5,615	9,239
Instrument repairs	995	950
Music Library	348	414
Sundry Expenses	20	1,908
Depreciation	<u>1,973</u>	<u>2,026</u>
	<u><b>63,771</b></u>	<u><b>76,719</b></u>

**9. SUPPORT COSTS**

	Management £	Finance £	Governance costs £	Totals £
Charitable Activities	<u><b>57,253</b></u>	<u><b>815</b></u>	<u><b>1,916</b></u>	<u><b>59,984</b></u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	1,973	2,026
Hire of plant and machinery	5,000	5,000
Other operating leases	3,706	3,653
Independent Examiner fee in respect of Independent Examination	1,844	1,620
Independent Examiner fee in respect of other accountancy services	<u>72</u>	<u>-</u>

**11. TRUSTEES' REMUNERATION AND BENEFITS**

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

**TRUSTEES' EXPENSES**

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

**12. STAFF COSTS**

	2021	2020
	£	£
Wages and salaries	38,071	42,207
Other pension costs	<u>438</u>	<u>505</u>
	<u><b>38,509</b></u>	<u><b>42,712</b></u>

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

	2021	2020
Administration	<u><b>6</b></u>	<u><b>6</b></u>

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

**The Elgar School Of Music Limited**

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

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	22,961	349	23,310
<b>Charitable activities</b>			
Charitable Activities	112,755	-	112,755
Investment income	<u>19</u>	<u>-</u>	<u>19</u>
<b>Total</b>	135,735	349	136,084
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable Activities	140,367	1,931	142,298
<b>NET INCOME/(EXPENDITURE)</b>	(4,632)	(1,582)	(6,214)
<b>Transfers between funds</b>	<u>(733)</u>	<u>733</u>	<u>-</u>
<b>Net movement in funds</b>	(5,365)	(849)	(6,214)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	19,583	7,859	27,442
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>14,218</u></u>	<u><u>7,010</u></u>	<u><u>21,228</u></u>

**14. TANGIBLE FIXED ASSETS**

	Musical instruments, equipment £
<b>COST</b>	
At 1st September 2020	<b>64,099</b>
Additions	<u><b>1,500</b></u>
At 31st August 2021	<u><b>65,599</b></u>
<b>DEPRECIATION</b>	
At 1st September 2020	<b>45,880</b>
Charge for year	<u><b>1,973</b></u>
At 31st August 2021	<u><b>47,853</b></u>
<b>NET BOOK VALUE</b>	
At 31st August 2021	<u><u><b>17,746</b></u></u>
At 31st August 2020	<u><u><b>18,219</b></u></u>

**The Elgar School Of Music Limited**

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

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

	2021	2020
	£	£
Trade debtors	8,490	3,879
Other debtors	10	193
Prepayments and accrued income	<u>17,572</u>	<u>4,621</u>
	<u><b>26,072</b></u>	<u><b>8,693</b></u>

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

	2021	2020
	£	£
Bank loans and overdrafts (see note 17)	-	4,047
Trade creditors	1,649	3,040
Social security and other taxes	197	-
Pensions	-	112
Other creditors	1,774	1,300
Accrued expenses	<u>3,490</u>	<u>95</u>
	<u><b>7,110</b></u>	<u><b>8,594</b></u>

**17. LOANS**

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts	<u>-</u>	<u>4,047</u>

**18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	<u>-</u>	<u>1,351</u>

The Elgar School Of Music Limited

Notes to the Financial Statements - continued  
for the Year Ended 31st August 2021

19. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
<b>Unrestricted funds</b>				
General fund	14,218	61,780	(450)	75,548
<b>Restricted funds</b>				
Special Educational Needs fund	-	(450)	450	-
Scholarship fund	313	-	-	313
P Harding Memorial fund	800	-	-	800
Instrument fund	1,120	(25)	-	1,095
Carpet fund	3,500	-	-	3,500
Music Making fund	1,177	-	-	1,177
Dementia concert fund	100	-	-	100
Equipment and miscellaneous repair fund	-	85	-	85
Worcester Community Foundation cleaning and covid fund	-	4,370	-	4,370
	<u>7,010</u>	<u>3,980</u>	<u>450</u>	<u>11,440</u>
<b>TOTAL FUNDS</b>	<u>21,228</u>	<u>65,760</u>	<u>-</u>	<u>86,988</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	184,331	(122,551)	61,780
<b>Restricted funds</b>			
Special Educational Needs fund	-	(450)	(450)
Instrument fund	-	(25)	(25)
Equipment and miscellaneous repair fund	400	(315)	85
Worcester Community Foundation cleaning and covid fund	5,000	(630)	4,370
	<u>5,400</u>	<u>(1,420)</u>	<u>3,980</u>
<b>TOTAL FUNDS</b>	<u>189,731</u>	<u>(123,971)</u>	<u>65,760</u>

**The Elgar School Of Music Limited**

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

**19. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
<b>Unrestricted funds</b>				
General fund	19,583	(4,632)	(733)	14,218
<b>Restricted funds</b>				
Special Educational Needs fund	921	(1,654)	733	-
Scholarship fund	313	-	-	313
P Harding Memorial fund	800	-	-	800
Instrument fund	1,148	(28)	-	1,120
Carpet fund	3,500	-	-	3,500
Music Making fund	1,177	-	-	1,177
Dementia concert fund	-	100	-	100
	<u>7,859</u>	<u>(1,582)</u>	<u>733</u>	<u>7,010</u>
<b>TOTAL FUNDS</b>	<u>27,442</u>	<u>(6,214)</u>	<u>-</u>	<u>21,228</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	135,735	(140,367)	(4,632)
<b>Restricted funds</b>			
Special Educational Needs fund	249	(1,903)	(1,654)
Instrument fund	-	(28)	(28)
Dementia concert fund	100	-	100
	<u>349</u>	<u>(1,931)</u>	<u>(1,582)</u>
<b>TOTAL FUNDS</b>	<u>136,084</u>	<u>(142,298)</u>	<u>(6,214)</u>

**PURPOSE OF FUNDS**

**UNRESTRICTED FUND**

The unrestricted general fund can be used for any charitable purpose within the charity's objects and approved by the Trustees. It is the policy of the charity to build a reserve of four months' operating costs in this fund. The fund balance as at 31 August 2020 was £14,218 (2019: £19,583), which represents about two and a half months of operating expenditure, therefore this does not cover the charity's reserves policy.

**RESTRICTED FUNDS**

**Special Educational Needs Fund**

This fund is restricted for the purpose of providing wider opportunities for those students with additional needs.

**Scholarship Fund**

This fund is restricted for the purpose of providing scholarships for string and brass pupils.

**P Harding Memorial Fund**

This fund was created in the memory of P Harding for the purpose of awarding an annual bursary.

**Instrument Fund**

This fund is restricted for the purpose of purchasing new musical instruments and equipment.

**Carpet Fund**

This fund is restricted for the purpose of purchasing new carpets for the refurbishment of the premises.



**The Elgar School Of Music Limited**

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

**19. MOVEMENT IN FUNDS - continued**

**Music Making Fund**

This fund is restricted for the purpose of promoting live music making.

**Dementia Concert Fund**

This fund is restricted for the purpose of holding concerts for dementia patients.

**Equipment and Miscellaneous Repair Fund**

This fund is comprised of donations received for specific general purchases.

**Worcester Community Foundation Cleaning and Covid Fund**

This fund is restricted for the purpose of covering cleaning costs and covid-related activities.

**TRANSFERS BETWEEN FUNDS**

A transfer of £450 was made from the Unrestricted General fund to the Special Educational Needs fund in order to cover the deficit.

**20. RELATED PARTY DISCLOSURES**

Accountancy services were provided by The Richards Sandy Partnership, of which one of the Trustees, N Sandy, is also a Director. No fee was charged for this work and therefore a donated service of £1,700 (2020: £1,620), being the market value of equivalent services, has been included within the accounts.