

**THE NORTH LONDON CONSERVATOIRE  
TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**THE NORTH LONDON CONSERVATOIRE**

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THE NORTH LONDON CONSERVATOIRE

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2019

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<b>Trustees</b>	Mr P West Ms S Cox Mr A G M Brindley
<b>Charity registered number</b>	1161732
<b>Principal office</b>	76 St James Lane London N10 3RD
<b>Independent auditors</b>	Landau Baker Limited Chartered Accountants Mountcliff House 154 Brent Street London NW4 2DR

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## THE NORTH LONDON CONSERVATOIRE

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

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The Trustees present their annual report together with the audited financial statements of the The North London Conservatoire for the year 1 September 2018 to 31 August 2019.

The Trustees confirm that the annual report and financial statements comply with the current statutory requirements and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in January 2015.

#### **Objectives and activities**

##### **a. Policies and objectives**

The objective of the charity as defined in the governing document is the promotion and advancement of musical education in accordance with the principles and practises as taught by Zoltan Kodaly.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

##### **b. Strategies for achieving objectives**

During the year, the charity provided weekly music education for children and teenagers; staged concerts and a music festival in the local community; ran workshops for children and teenagers and adults; did a residential course for string players; prepared children for external exam entry and continued to provide very high-level teaching to the high achievers who may well pursue a professional career. One student graduated to doing Music at university. The charity ran chamber music courses for children and also music appreciation classes and started an adult choir open to parents and other adults in the community. It provided bursaries and scholarships for 65 children to enable them to begin or continue music education to a value of approximately £31,000.

Over the academic year, numbers taking kindergarten tuition remained largely stable. Contingency measures that had been put in place in 2017-18 helped improve retention a little but more efforts are planned. Numbers increased from 380 to 474 by May 2019, from which time they remained stable to the end of the academic year. The Saturday school at Middlesex University Music Department continued to develop and their first assessments were done in March 2019, with good results that were in line with the rest of the school. The total waiting at all venues for a place was seventy-two children. Instrumental numbers remained largely stable throughout the year (the desired outcome, with no plan to increase the number other than annually from the kindergarten). Best practice within the profession continued to be promoted by encouraging visitors and presenting seminars to interested parties including parents and teachers and full-time music students. In January 2019 a placement assisting in the music kindergarten was given to a student for one term on the BMus course at Middlesex University as part of their undergraduate degree experience. This was the second such placement. The charity successfully provided another free week of music tuition ("music week") to a local primary school with little music provision and this was very gratefully received. The financial position remained strong throughout.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019

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**Objectives and activities (continued)**

**c. Activities undertaken to achieve objectives**

During the period the charity concentrated on developing its operations and focused on several key areas: expanding provision at the Middlesex University venue – developing the school into a stronger and bigger concern that can further benefit the local community; on continuing to improve availability in kindergarten for 3-4 year olds (which has improved retention); on continuing to improve provision for piano students with a number of new activities to promote enjoying the arts in groups through the piano and through piano-only concerts and masterclasses; continuing the venture to provide free-of-charge music weeks for local schools with little or no music provision in 2018-19 and liaising with the local authority music hub to ensure this project reaches the children most in need. A piano that was no longer of use to the school was donated to a local church to enable dance classes to continue to be run with a piano repetiteur. Several concerts were also given at a number of old people's homes in north London with students aged 6-15 years taking part. These were immensely well-received and the home staff were uniformly extremely grateful for the stimulation and pleasure they provided to residents.

**Achievements and performance**

**a. Key performance indicators**

The results are reported within the financial statements and the charity's assets are sufficient to meet its obligations.

The principal funding sources are by way of instrumental teaching and specific income received from the running of the kindergarten. Key performance indicators utilised are gross margin and EBITDA.

**b. Review of activities**

The results are reported within the financial statements and the charity's assets are sufficient to meet its obligations, which is the principal financial management policy of the charity.

The principal funding sources are by way of instrumental teaching and specific income received from the running of the kindergarten.

Total incoming resources in the period were £1,307,852 (2018: £1,230,231). The surplus for the year is £173 (2018: deficit £12,859).

**c. Factors relevant to achieve objectives**

There are various factors relevant to the charity achieving its objectives. Factors within and outside the charity's control are reviewed regularly as part of the risk management procedures. As noted above, the major risk to the charity is the volatility of voluntary income. Other key factors within the charity's control include relationships with its trustees and employees.

**Financial review**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Financial review (continued)**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Material investments policy**

Where applicable, funds have been invested in instant access bank or building society deposit accounts and interest is earned on the balance.

**c. Principal funding**

All funding is received in respect of the various services provided.

**Structure, governance and management**

**a. Constitution**

The charity was registered on 19 May 2015 and commenced trading on that date. The principal object of the charity is to provide musical education in accordance with the principals and practices as taught by Zoltan Kodaly.

**b. Methods of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the constitution.

**c. Organisational structure and decision-making policies**

The charity is governed by a board which is responsible for setting the strategic direction of the organisation and for establishing policy.

The board meets as a body on a termly basis as part of the termly committee meeting or in addition to, depending on the nature of business to be discussed. Otherwise, matters are addressed face to face or by phone as necessary.

At the committee meetings, the trustees' report is tabled, as well as the latest financial information.

**d. Policies adopted for the induction and training of Trustees**

The trustees are already familiar with the charity's aims and objectives as this is considered a prerequisite to their election as trustees.

**e. Pay policy for key management personnel**

The charity pays its staff in accordance with the accepted prevailing market rates in the sector.

TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019

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**Structure, governance and management (continued)**

**f. Financial risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The trustees regularly review procedures to minimise risk to assets and income, and to ensure that where risks are identified, procedures are in place to alleviate them as far as possible. For the major risks identified the trustees have put in place appropriate measures to manage those risks. The major risk to the charity is the volatility of voluntary income.

The trustees continue to keep the charity activities under review, particularly with regard to any major risks that may arise from time to time and to monitor the effectiveness of the system of internal controls.

**Plans for future periods**

The trustees continue to ensure risk is minimised with regard to its assets and income, and to ensure that where risks are identified, procedures are in place to alleviate them as far as possible. For the major risks identified, the trustees have put in place appropriate measures to manage those risks. The major risk to the charity is the volatility of voluntary income.

Running costs are continually reviewed and savings are made appropriately in line with maintaining full operational delivery. Projected figures for sustaining viability are reviewed and adjusted in line with maintaining the services and meeting needs.

**Statement of Trustees' responsibilities**

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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 Charity Commission Scheme. 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.

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THE NORTH LONDON CONSERVATOIRE

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019

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**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

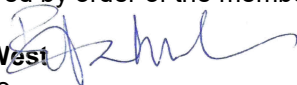
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, Landau Baker Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 10 June 2020 and signed on their behalf by:

**Mr P West**  
Trustee





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## THE NORTH LONDON CONSERVATOIRE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NORTH LONDON CONSERVATOIRE

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#### Opinion

We have audited the financial statements of The North London Conservatoire (the 'charity') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and in other respects 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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## THE NORTH LONDON CONSERVATOIRE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NORTH LONDON CONSERVATOIRE (CONTINUED)

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#### 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 Auditors' report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

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## THE NORTH LONDON CONSERVATOIRE

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NORTH LONDON CONSERVATOIRE (CONTINUED)

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#### Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements 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.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Auditors' report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Landau Baker Limited*

#### **Landau Baker Limited**

Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London

NW4 2DR

10 June 2020

**THE NORTH LONDON CONSERVATOIRE**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>				
Charitable activities	3	1,307,852	1,307,852	1,230,231
<b>Total income</b>		<u>1,307,852</u>	<u>1,307,852</u>	<u>1,230,231</u>
<b>Expenditure on:</b>				
Charitable activities	4	1,307,679	1,307,679	1,243,090
<b>Total expenditure</b>		<u>1,307,679</u>	<u>1,307,679</u>	<u>1,243,090</u>
<b>Net movement in funds</b>		<u>173</u>	<u>173</u>	<u>(12,859)</u>
<b>Reconciliation of funds:</b>				
Total funds brought forward		(16,044)	(16,044)	(3,185)
Net movement in funds		173	173	(12,859)
<b>Total funds carried forward</b>		<u>(15,871)</u>	<u>(15,871)</u>	<u>(16,044)</u>

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 12 to 23 form part of these financial statements.

**THE NORTH LONDON CONSERVATOIRE**

**BALANCE SHEET  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	9	104,000	208,000
Tangible assets	10	2,394	8,966
		106,394	216,966
<b>Current assets</b>			
Debtors	11	1,074	2,219
Cash at bank and in hand		127,616	92,253
		128,690	94,472
Creditors: amounts falling due within one year	12	(160,955)	(147,482)
<b>Net current liabilities</b>		<b>(32,265)</b>	<b>(53,010)</b>
<b>Total assets less current liabilities</b>		<b>74,129</b>	<b>163,956</b>
Creditors: amounts falling due after more than one year	13	(90,000)	(180,000)
<b>Net liabilities excluding pension asset</b>		<b>(15,871)</b>	<b>(16,044)</b>
<b>Total net assets</b>		<b>(15,871)</b>	<b>(16,044)</b>
<b>Charity funds</b>			
Restricted funds	14	-	-
Unrestricted funds	14	(15,871)	(16,044)
<b>Total funds</b>		<b>(15,871)</b>	<b>(16,044)</b>

The financial statements were approved and authorised for issue by the Trustees on 10 June 2020 and signed on their behalf by:

  
**Mr P West**  
Trustee

The notes on pages 12 to 23 form part of these financial statements.

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## THE NORTH LONDON CONSERVATOIRE

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1. General information

The North London Conservatoire is an unincorporated charity registered in England and Wales with the registration number 1161732. The address of the registered office is 76 St James Lane, London. N10 3RD.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The North London Conservatoire meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Income

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

##### 2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019

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**2. Accounting policies (continued)**

**2.4 Intangible assets and amortisation**

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Goodwill	-	20 % straight line basis
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**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Instruments	-	25% straight line basis
Computer equipment	-	25% straight line basis

**2.6 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## THE NORTH LONDON CONSERVATOIRE

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

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#### 2. Accounting policies (continued)

##### 2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### 2.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 2.10 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

##### 2.11 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 charity and which have not been designated for other purposes.

#### 3. Income from charitable activities

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Instrumental teaching	1,092,266	<b>1,092,266</b>	1,024,379
Kindergarten	184,898	<b>184,898</b>	180,741
Sales of Materials	10,002	<b>10,002</b>	9,658
Other Income	20,686	<b>20,686</b>	15,453
<b>Total 2019</b>	<u>1,307,852</u>	<u><b>1,307,852</b></u>	<u>1,230,231</u>
<i>Total 2018</i>	<u>1,230,231</u>	<u>1,230,231</u>	



**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**3. Income from charitable activities (continued)**

**4. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Musical education	1,307,679	<b>1,307,679</b>	1,243,090
<i>Total 2018</i>	<u>1,243,090</u>	<u>1,243,090</u>	

**Summary by expenditure type**

	<b>Staff costs 2019 £</b>	<b>Depreciation 2019 £</b>	<b>Other costs 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Musical education	244,883	6,572	1,056,224	<b>1,307,679</b>	1,243,090
<i>Total 2018</i>	<u>229,047</u>	<u>6,572</u>	<u>1,007,471</u>	<u>1,243,090</u>	

**5. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Musical education	901,756	405,923	<b>1,307,679</b>	1,243,090
<i>Total 2018</i>	<u>859,032</u>	<u>384,058</u>	<u>1,243,090</u>	

**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**5. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Musical education 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Teaching fees	710,125	<b>710,125</b>	677,109
Rent of halls	184,130	<b>184,130</b>	174,680
Materials for resale	7,501	<b>7,501</b>	7,243
	<u>901,756</u>	<u><b>901,756</b></u>	<u>859,032</u>
<i>Total 2018</i>	<u>859,032</u>	<u><b>859,032</b></u>	

**Analysis of support costs**

	<b>Musical education 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Staff costs	244,883	<b>244,883</b>	229,047
Depreciation	6,572	<b>6,572</b>	6,572
Advertising	4,749	<b>4,749</b>	3,874
Insurance	4,925	<b>4,925</b>	5,275
Materials for resale	2,207	<b>2,207</b>	3,096
Travel & subsistence	1,951	<b>1,951</b>	3,041
Telephone	1,531	<b>1,531</b>	1,205
Post & Stationery	7,872	<b>7,872</b>	7,805
Bank charges and interest	5,875	<b>5,875</b>	5,344
Repairs & maintenance	3,374	<b>3,374</b>	2,856
Bad debt	100	<b>100</b>	36
Miscellaneous expenses	11,974	<b>11,974</b>	7,317
Amortisation	104,000	<b>104,000</b>	104,000
Accountancy and audit fees	5,910	<b>5,910</b>	4,590
	<u>405,923</u>	<u><b>405,923</b></u>	<u>384,058</u>
<i>Total 2018</i>	<u>384,058</u>	<u><b>384,058</b></u>	

**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Auditors' remuneration**

	<b>2019</b>	<i>2018</i>
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	<b>3,260</b>	<i>3,260</i>

**7. Staff costs**

	<b>2019</b>	<i>2018</i>
	£	£
Wages and salaries	<b>199,623</b>	<i>191,468</i>
Social security costs	<b>39,298</b>	<i>33,806</i>
Contribution to defined contribution pension schemes	<b>5,962</b>	<i>3,773</i>
	<b>244,883</b>	<i>229,047</i>

The average number of persons employed by the charity during the year was as follows:

	<b>2019</b>	<i>2018</i>
	No.	No.
Support Staff	<b>6</b>	<i>6</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2019</b>	<i>2018</i>
	No.	No.
In the band £80,001 - £90,000	<b>1</b>	<i>1</i>

**8. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (*2018 - £NIL*).

During the year ended 31 August 2019, no Trustee expenses have been incurred (*2018 - £NIL*).

**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 September 2018	520,000
At 31 August 2019	520,000
<b>Amortisation</b>	
At 1 September 2018	312,000
Charge for the year	104,000
At 31 August 2019	416,000
<b>Net book value</b>	
At 31 August 2019	104,000
<i>At 31 August 2018</i>	208,000

**10. Tangible fixed assets**

	<b>Plant and machinery £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 September 2018	21,500	4,788	26,288
At 31 August 2019	21,500	4,788	26,288
<b>Depreciation</b>			
At 1 September 2018	16,125	1,197	17,322
Charge for the year	5,375	1,197	6,572
At 31 August 2019	21,500	2,394	23,894

**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Tangible fixed assets (continued)**

	Plant and machinery £	Computer equipment £	Total £
<b>Net book value</b>			
At 31 August 2019	-	2,394	2,394
<i>At 31 August 2018</i>	5,375	3,591	8,966

**11. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	674	2,219
Other debtors	400	-
	1,074	2,219

**12. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Payments received on account	29,225	29,778
Trade creditors	3,038	2,194
Other taxation and social security	10,034	5,204
Loan	90,000	90,000
Accruals and deferred income	28,658	20,306
	160,955	147,482

**13. Creditors: Amounts falling due after more than one year**

	2019 £	2018 £
Loan	90,000	180,000

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THE NORTH LONDON CONSERVATOIRE

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019

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14. Statement of funds

Statement of funds - current year

	Balance at 1 September 2018 £	Income £	Expenditure £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>				
General Funds - all funds	(16,044)	1,307,852	(1,307,679)	(15,871)

**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**14. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2018 £</i>
<b>Unrestricted funds</b>				
General Funds - all funds	(3,185)	1,230,231	(1,243,090)	(16,044)

**15. Summary of funds**

**Summary of funds - current year**

	<b>Balance at 1 September 2018 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 31 August 2019 £</b>
General funds	<b>(16,044)</b>	<b>1,307,852</b>	<b>(1,307,679)</b>	<b>(15,871)</b>

**Summary of funds - prior year**

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2018 £</i>
General funds	(3,185)	1,230,231	(1,243,090)	(16,044)

**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**16. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Tangible fixed assets	2,394	<b>2,394</b>
Intangible fixed assets	104,000	<b>104,000</b>
Current assets	128,690	<b>128,690</b>
Creditors due within one year	(160,955)	<b>(160,955)</b>
Creditors due in more than one year	(90,000)	<b>(90,000)</b>
<b>Total</b>	<u>(15,871)</u>	<u><b>(15,871)</b></u>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	8,966	8,966
Intangible fixed assets	208,000	208,000
Current assets	94,472	94,472
Creditors due within one year	(147,482)	(147,482)
Creditors due in more than one year	(180,000)	(180,000)
<b>Total</b>	<u>(16,044)</u>	<u>(16,044)</u>



**THE NORTH LONDON CONSERVATOIRE**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**17. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<b>£</b>
Net income for the year (as per Statement of Financial Activities)	<b>173</b>	<i>(12,859)</i>
<b>Adjustments for:</b>		
Depreciation charges	<b>6,572</b>	<i>6,572</i>
Amortisation charges	<b>104,000</b>	<i>104,000</i>
Decrease/(increase) in debtors	<b>1,145</b>	<i>(2,219)</i>
Increase in creditors	<b>13,473</b>	<i>3,399</i>
<b>Net cash provided by operating activities</b>	<b>125,363</b>	<i>98,893</i>

**18. Analysis of cash and cash equivalents**

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<b>£</b>
Cash in hand	<b>127,616</b>	<i>92,253</i>
<b>Total cash and cash equivalents</b>	<b>127,616</b>	<i>92,253</i>

**19. Pension commitments**

"The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £5,962 (2018 - £3,773).