

Charity Registration No. 1004122

Company Registration No. 02590621 (England and Wales)

MERTON MUSIC FOUNDATION

Annual report and financial statements

For the year ended 31 August 2019

MERTON MUSIC FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Michael Collins	
	Edward Hickman	
	Rowena Maybury	
	Ian Bond	
	Stephen Moran	(Appointed 12 November 2018)
	Sandra Vogel	(Appointed 11 March 2019)
	Mrs E Trevelyan	(Appointed 24 September 2018)
	Mrs N Morgan	(Appointed 23 September 2019)
Charity number	1004122	
Company number	02590621	
Registered office	c/o Harris Academy Morden Lilleshall Road Morden SM4 6DU	
Auditor	WSM Advisors Limited Connect House 133-137 Alexandra Road Wimbledon London SW19 7JY	

MERTON MUSIC FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 17
Statement of trustees' responsibilities	18
Independent auditor's report	19 - 21
Statement of financial activities	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25 - 36

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

For the year ended 31 August 2019

The Trustees present their report and financial statements for the year ended 31 August 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Chair's Introduction

MMF has enjoyed another busy successful year delivering high quality music education and performance opportunities to young people of all ages and abilities in Merton and SW London. These have included services delivered directly and, as lead partner for the Merton Music Education Hub, those developed in partnership and collaboration with other Arts and Education organisations.

Schools remain our key focus and almost all primaries and secondaries benefitted from our School Music Education Plan. Project opportunities, subsidised clubs, workshops, support for primary music co ordinators, CPD, large scale performances, whole class programmes, provision of Music Centres and tuition have formed the backbone of MMF's delivery. The aspirations of the National Plan for Music Education underpin MMF's vision for the local offer in Merton.

Through its Hub 'core' and 'extension' roles (defined on page 3), MMF fulfilled its remit.

Highlights included:

- Regular weekly instrumental tuition (individual, group and whole class) for c.3,000 young people.
- Continued 'low risk' ACE status.
- Expansion of First Access programmes providing Whole Class Ensemble Tuition (WCET) for primary and secondary schools.
- MMF's Youth Music Programme features 25 regular ensembles, instrumental and choral groups from beginner to advanced level all giving regular performances.
- A sell out Performance featuring nearly 1500 local young people at the Royal Albert Hall.

Consolidating progression routes remains a critical challenge. Initiatives include:

- A major redevelopment of the WCET provision responding to and tailored to the needs of schools.
- Supporting pupils to apply for scholarships, bursaries and awards.
- Signposting and supporting young people to apply to NCO, NYO and LSSO.
- Continued collaboration with the Wimbledon Community Chorus, the Wandle Band and the Wimbledon Community Orchestra to provide a pathway to learning beyond MMF.

The 'Singing Strategy' is a national priority which is embedded in our work with over 40 Merton schools. The 'With One Voice' choral strand projects engaged with over 3,500 singers across the year, with all materials being made available to primary music coordinators across all LBM schools to impact even more widely.

Our growing list of local, regional and national partners is impressive and demonstrates our active commitment to our role as 'Hub' lead, our engagement with continuing improvement of local provision and our understanding of the National Music Plan. Our new partnership with the Lincoln Jazz Center in New York moved in to its second successful year with their outreach musicians visiting MMF and giving 15 school workshops. I would like to thank all our partners for their support - creative, financial and operational - throughout the year:

Arts Council England

Be Creative

Blues and Roots Ensemble

Crown Lane Studio

Jazz musician and educator Pete Churchill

London Borough of Merton officers, Merton Head Teachers and Schools Forum

London Music Fund

London School of Percussion' at Crown Lane Studio

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

New Wimbledon Theatre
Orchestra of the Age of Enlightenment
Polka Theatre
Richard Mallett Arts Management
The London Borough of Merton Mayor's Office
Wimbledon Civic Theatre Trust
Wimbledon Community Chorus
Wimbledon International Music Festival

There were many examples of fabulous music-making and innovative projects throughout the year. The Golden Threads Art and Music project received outstanding feedback from schools, and we staged our first 'Merton Music Presents' at New Wimbledon Theatre featuring the band, String Fever, to over 1800 local primary school children. 'All Join In' celebrated our WCET programmes with a commissioned song and sessions filmed and photographed, reaching 27 local schools and 1828 pupils. We developed a new partnership with Grand Union Orchestra. The flagship senior concert band and jazz band appeared at Wimbledon Tennis again, performing to enthusiastic crowds. In partnership with local choirs we staged the second Merton Singfest and worked again with the Tower of London Water City Festival performing in the tower to huge audiences. The highlight of the year was involving 1,500 young people in Liquid History at the Royal Albert Hall – an uplifting celebration of inclusive youth musicmaking.

I would like to thank my fellow Trustees for all of their input, help and support to the management team over the last 12 months. MMF faces a steady flow of challenges and opportunities and time and again their insights and knowledge have proven to be very helpful. I would also like to take this opportunity to thank the Friends of Merton Music Foundation for their fund raising that supports MMF. In particular, the Friends successfully raised funds for two much needed new pianos through a 'sponsor a key' programme.

Finally, on behalf of my Trustee colleagues, I would like to thank all of the 'team MMF' staff and our tutors for their hard work over the last 12 months. MMF never stands still and the creative energy is evident at the music centre and at every event. As we build towards our 30th anniversary in 2021, MMF is in a good position to maintain the high standards it sets and consistently meets.

Since the close of the financial year MMF has had, along with the rest of the country, to respond to the Government's Covid19 pandemic restrictions. At the time of writing (July 2020), it is clear that MMF services will be impacted in the current and next financial year by the closure of schools and the measures taken to re-open them safely. We will also be affected by the loss of opportunities both to tour and prepare for and stage performances.

MMF team responded proactively from the onset of this challenge. It immediately established remote platforms so that music centre and music lessons could continue which also benefits our freelance tutors. The organisation is working closely with our schools in support of their re-opening preparations. Costs have been carefully monitored and controlled with, for example, two members of the team furloughed and through other changes. Our financial and reserves positions were both sound at the start of Covid19 and, based on reasonable operational scenarios, Trustees (who are meeting more regularly) are confident that MMF will emerge different but intact over this and next financial year.

What follows in this report provides the detail and the background to our achievements in 2018-19.

Edward Hickman
Chair of Trustees

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Objectives and activities

Merton Music Foundation (MMF) aims to promote and support the highest quality music education for ALL.

Our charitable objective is 'To advance music education within a framework of the arts for the benefit of the public of the London Borough of Merton and elsewhere'.

MMF's mission is to encourage participation, enjoyment and achievement by providing the highest quality learning opportunities in music and the performing arts.

The vision that shapes our annual activities is based on the aspirations of the **National Plan for Music Education 'The Importance of Music'**. Published in November 2011, it sets out the Government's vision for music education to enable children from all backgrounds and every part of England to have the opportunity to learn a musical instrument; to make music with others; to learn to sing and to have the opportunity to progress to the next level of excellence.

Music Education Hubs

Merton Music Foundation is the lead partner for the Merton Music Education Hub, part of a national network of 123 music education hubs established in 2012.

Music Education Hubs are a vital part of the Government's National Plan for Music Education Plan, which resulted from a thorough review of music education undertaken by Darren Henley in 2011. The Hub receives funding directly from Arts Council England on behalf of the Department of Education.

Music Hubs have a remit to fulfil four core roles and three extension roles in the delivery of music education:

Core Roles

- **First Access** - Ensure that every child aged 5 -18 has the opportunity to learn a musical instrument (other than voice) through whole class ensemble teaching programmes.
- **Ensembles** - Provide opportunities to play in ensembles and to perform from an early stage.
- **Progression** - Ensure that clear progression routes are available and affordable to all young people.
- **Singing** - Develop a singing strategy to ensure that every pupil sings regularly and that choirs and other vocal ensembles are available in the area.

Extension Roles

- **Continuous Professional Development** - CPD for school staff, particularly in supporting schools to deliver music in the curriculum.
- **Instrument Hire** - Provide an instrument loan service, with discounts for those on low incomes.
- **Live Music Opportunities** - Provide access to large scale and high quality music experiences for pupils, working with professional musicians and venues. This will include undertaking work to publicise the opportunities available to schools, parents/carers and students.

Working in partnership

The charity's hub programme is a collaboration between key local, regional and national music and arts organisations working together to create joined up, high quality music education in and out of school. The key overriding aims of our partnerships are to broaden and increase the opportunities for music making for all children and young people in the region, regardless of their background or personal circumstances; and to raise the standards of music provision to the highest levels possible.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Our partners during the 2018/19 financial year are disclosed on page 1 and 2 of this report.

The charity is also an active member of the South West London Music Education Partnership, which consists of the music services of Croydon, Hounslow, Kingston, Merton, Richmond, Sutton and Wandsworth.

Delivery

Executive responsibility for delivery rests with the Chief Executive and the Senior Leadership Team, made up of two full-time employees and one part-time employee of the Foundation and to whom all other employees report either directly or indirectly. MMF aims to achieve the highest quality service provision by striving to provide the best opportunities in which to encourage learning through the National Plan's Core and Extension roles.

Building effective and secure partnerships is critical to our ethos of developing sustainable music education provision within the region. At the heart of this development is the Merton Music Education Hub, which builds on the existing structure of local, regional and national partnerships and levers in support for the charity's various education activities.

Volunteers

We continue to work closely with our parents' charity the Friends of Merton's Young Musicians (FMYM). The Friends meet regularly to administer the affairs of their charity, to arrange fundraising events to support the work of Merton Music Foundation, and to help with concerts and other events provided by our charity. Over the years, FMYM's fund raising has enabled us to buy instruments, purchase sheet music for our groups, provide coaching for events like Music *is* for Life and Music for Youth festivals, and support the provision of overseas tours for our senior Youth Music groups. This year FMYM have had a 'sponsor a piano key' campaign, raising £20,000 for the purchase of a new grand piano and one upright Yamaha for Music Centre use.

Ensuring our work continues to deliver our charitable purpose

We review our aims, objectives and activities annually through our Business Plan and regular reporting to Arts Council England. The review examines our achievements and the outcomes of our work over the past twelve months. It also looks at the success of each of the National Plan's Core and Extension role areas and the benefits that have been brought to the various groups of people we work with. The review also helps us ensure that our aims, objectives and activities remain focused on our stated charitable purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in deciding what activities the charity should undertake for the following financial year.

Public Benefit

The Trustees of Merton Music Foundation have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The Trustees believe that the organisation conforms readily to the new public benefit requirements of the Charity Commission. The reasons for this belief are:

Our charitable objective "*To advance music education within a framework of the arts for the benefit of the public of the London Borough of Merton and elsewhere*" clearly demonstrates public benefit in advancing and promoting the importance of music education.

The advocacy work that MMF does is of potential benefit to all individuals, schools and its partnership organisations, by helping to create a learning environment in which live music making can flourish and be available to participants and audiences in the local community that the charity serves.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

The key focus for MMF's work: music education through a framework of the arts, are both defined within the Charities Act 2006 as charitable activities and as such both directly benefit the public

The main activities of the charity, and those we try to help, are those for children and young people in and around the London Borough of Merton to whom we aim to provide musical opportunities of the highest standard.

All the Foundation's projects are centered on children and young people, some of whom are 'hard to reach', have disadvantaged backgrounds or challenging circumstances.

Financial assistance is not just limited to students of families who qualify for assistance from the Pupil Premium/Free School Meals qualification. The Trustees recognise that students from families whose income is only a little above the level to qualify for these benefits, but have to contend with the high cost of living in London, may also require support and applications from such students are looked upon favourably

Financial assistance in membership of MMF's Merton Youth Music activities and participating in its music making activities is considered in all cases of individual hardship.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Achievements and performance

The following summary provides an overview of our achievements and performance against the National Plan for Music Education's Core and Extension Roles. The information is taken from our Annual Data Return to Arts Council England for the 2018/19 academic year

Core Roles

1. First access:

MMF delivered 36 In2Music projects across 27 schools, reaching 1828 pupils. 6 projects were delivered at no cost to targeted schools, with historically low engagement with the hub, under the banner 'In2Music: Enthuse'. Outcomes of this strategy included development of school-led WCET programmes and increased engagement with other hub activity in these schools. All Saints Primary then permanently adopted hub-delivered WCET. MMF supported a further 6 school-led WCET projects through staff CPD and indirectly, a further 19 school-led WCET projects through curriculum support, reaching 1359 pupils. 3187 pupils participated in WCET tuition via hub-delivered or supported projects.

The significant increase in the total number of hub-delivered WCET projects was achieved by increased staffing capacity following a round of recruitment of WCET tutors and the development of an apprenticeship/training program for recent graduates, who shadow experienced tutors in the role of 'Support Tutor' before taking leadership of their own projects under the support/guidance of our Curriculum Team. Increased logistical planning and strategic leadership of WCET alongside careful relationship management with schools was facilitated by the increased capacity of the new SCL post (created January 2018). Following the previous year's review of first access provision, expansion into PPA cover models of WCET and pre-WCET General Musicianship lessons at KS1 and LKS2 were implemented for '18-'19 with great success. These new models of teaching were devised in response to a local need for curriculum delivery and funding constraints faced by primary schools, who can no longer dedicate money for the arts. Careful consideration of staffing, planning and resourcing of these projects, coupled with fostering and maintaining strong relationships with schools in which these projects run, has ensured pedagogical value has not been diminished during PPA cover WCET sessions.

A new violin WCET project was trialed at The Sherwood School in year 5 as a PPA cover project, 2 tutors were engaged and every pupil was given an instrument that they could take home to practise. Strong school-hub-tutor links were maintained and training and support given to the tutors who were able to take ownership of the project. Pupil progress was astonishingly good and this project will build in 19-20 to include a continuation string club to act as a 'bridge' to continuation post transition to secondary school (many of these pupils will go on to Harris Academy, Merton where the HoD hopes to build up string tuition).

As with previous years our continuation rates have been hindered by focusing on the more deprived areas in the borough to promote WCET to give all children access to music. It should also be noted that due to improved data collection, MMF is able to include school-led WCET provision, which is why this figure has increased significantly on last year's return. Unfortunately, it was not possible to accurately track continuation from school-led WCET projects so our overall number of continuers is very similar to that previously reported; this explains why at first it appears that our continuation percentage has dropped.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

2. Ensembles

The Merton Youth Music programme provides a comprehensive range of 25 regular ensembles, instrumental and choral, from beginner to advanced level. All groups performed in concerts across the year.

The on-going partnership with the Orchestra of the Age of Enlightenment created performing opportunities for children with SEND at Cricket Green school who received regular workshops and performance opportunities during the year and then performing at the RAH with the massed choir and Concert Band.

Members of MYCB, MYJO and Senior Guitar Ensemble undertook a 6-day concert tour to Belgium. They were privileged to perform at the Menin Gate for the daily service of remembrance.

MYJO and MYCB performed at The Wimbledon Championships on semi-finals days.

BeatFest Percussion festival was expanded into a wider community event with a festival atmosphere. It was very successful and will be developed and expanded again for next year.

All MMF's Intermediate and Senior ensembles participated in the Liquid History performance at the Royal Albert Hall. The concert also featured an intergenerational massed choir of 1,200, including 1,000 KS2 pupils.

All our percussionists performed at a new MMF-led festival, BeatFest, alongside members of Grand Union Orchestra and jazz harpist Tara Minton.

Other performing opportunities included singing for the Water City Festival at the Tower of London; at the Mayor of Merton's Christmas carol concert; the Mozart Requiem project with Sonoro chamber choir and Wimbledon Community Chorus, SingFest, All Join In, Remembrance Events and the Windrush celebrations.

3. Progression

The National Plan for Music Education promotes the importance of every child between age 5 and 18 having the chance to learn a musical instrument and/or sing through structured activities. As part of this, there is a strong emphasis on musical progression with all children regardless of background having the opportunity to sing and play in larger ensembles, every school providing singing opportunities and aspiring towards having an orchestra or large-scale ensemble.

This includes:

- Merton Youth Music programme provides a comprehensive range of 25 regular ensembles, instrumental and choral, from beginner to advanced level. Jazz and percussion provision have been further refined and developed and the take up has been good. Merton Messengers (the extension group) has taken on gigs and become autonomous, working with little direct staff support.
- Senior Music Centre students are encouraged to become Mentors in Junior Bands. We had around 8 mentors, some of whom used the experience to support their Duke of Edinburgh award.
- Two senior students were encouraged to write their own music which formed part of the 'curtain raiser' at the RAH.
- Young players from WCET projects are encouraged to take exams and join Music Centre as well as taking instrumental lessons.
- Primary music co-ordinators continue to be supported (advice, repertoire, tutor time) to establish school based ensembles for children to consolidate and develop skills.
- New regular newsletters to key groups/audiences, signposting local families with children learning with us to MMF activities and local arts activities.
- The tutor workforce is kept informed of local, MMF and wider progression routes. One member of the MMF team works at the NCO and supports and encourages children and parents to make applications.
- Crown Lane Studio has continued to offer LBM pupils work experience placements and have been available to support local young people in accessing the recording industry.
- Ongoing relationship with OAE and Special schools now in fifth year.
- 100 members of the Wimbledon Community Chorus received weekly rehearsals between September and July and gave 3 local public performances, including an outstanding performance of Mozart Requiem with Sonoro chamber choir and Wimbledon Symphony Orchestra and another with the Central Band of the Royal British Legion, involving a choir of ex-service veterans from STOLL.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

- Development of a Music Centre adult guitar ensemble.
- Ongoing support of Wandle Band and Wimbledon Community Orchestra provides an instrumental pathway into adult learning.
- MMF has developed a range of tuition (percussion, piano, guitar) and club models for Harris Academy Morden. Numbers are growing with 60 students taking lessons. Students successfully passed ABRSM exams.
- As part of our support of young people with additional needs, MMF has led on a seven-borough initiative to identify need and organise a SEND teacher conference in partnership with Roehampton University. This was successfully held in September 18 and is being followed up with an exploration of further cross borough work.
- Offering remission of fees schemes to support parents on low incomes.
- Supporting pupils to make applications to junior conservatoires and national youth ensembles including NYJO and help with post 18 applications to study music in the higher education sector.

4. Singing strategy

The 'With One Voice' singing strategy (WOV hereafter) continues to be at the heart of Primary music provision, development and support, an on-going stream of CPD, resources, bespoke arrangements and a range of choral project opportunities. MMF's PD is responsible for the on-going development, management and most of the delivery of WAV.

Three meetings were held for Primary Music Coordinators, which included singing CPD and access to additional resources, including new Windrush, WCET material and arrangements by MMF CL Adam Saunders.

The RAH Liquid History choral strand produced 8 original songs by Pete Churchill and Adam Saunders with a London Theme, shared with all Merton Primary schools. The LH massed choir included 1,000 children from 18 Primary and Special schools. An intergeneration project choir, ReSound, was formed for the RAH performance and included 125 members from 2 local parent choirs and MMF parents. Children from the Wimbledon Polish School were also included in the massed choir. Both groups received a series of 6 choral workshops from MMF's Programme Director.

Adam Saunders (MMF Curriculum Leader) also arranged a set of songs for the London Song Pack, which was used widely in schools throughout 18-19.

Music Leaders are emailed weekly with updated information on recommended resources, opportunities for CPD, performance projects and other aspects of professional practice. The PD and Primary Curriculum Leader have given on-going informal, bespoke advice to specific teachers on supporting singing and choral development.

Singing is an important element of the In2Music WCET programme and delivery tutors are given help and resources to incorporate into their planning.

'Sound Ideas', a comprehensive and progressive programme of study which places singing at the heart of early musical development is available free of charge to all teachers in the borough (online in blog form, with added audio clips).

43 schools took up the offer of a free license for Charanga, funded by MMF and amassed 1451 hours of vocal activity. Many schools are using the vocal resources regularly and successfully, to support their class and choral singing.

Membership of MMF's YV KS2 choir remained strong, with 58 children singing at the RAH

There have been opportunities for varied groups of young singers to be involved in a range of external concerts and events, including at Polka Theatre, for SingFest 18, WW1 and Windrush commemoration events in Wimbledon,

A partnership with Sing Up facilitated a 60% membership subsidy from September 2017, resulting in 16 schools signing up.

SingFest 18, a partnership with Wimbledon Choral Society attracted 10 school and 14 adult choirs performing over a long weekend in October.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Participation in Singing projects included:

- Liquid History RAH Choral Strand (1,400 participants)
- 2nd SingFest festival (24 school and community choirs)
- Water City Festival (115 participants)
- Golden Threads (180 participants)
- Let Freedom Swing (510 participants)
- Mayor's Carols (60 participants)
- Polka40 (80 participants)
- All Join In and Windrush 19 – schools across Merton performed 2 specially written songs.
- Partnership with Sing Up has continued to provide heavily subsidised membership (60%) for Primary schools during 18-19.

In partnership with Sing Up, MMF negotiated a 60% reduction in fees which has been taken up by 16 Primary schools.

High quality is ensured by always seeking to work with experienced partners groups and inspiring individual practitioners of exceptional ability, including Pete Churchill and Neil Ferris (WCS, Sonoro). MMF's PD, Soo Bishop, is also a choral MD, choral trainer and vocal coach.

EXTENSION ROLES

Continuous professional development (CPD)

Schools

3 meetings were provided for Primary Coordinators, attended by teachers from 27 schools. Topics included song shares, an update on projects and new resources, including IT and use of Charanga, and a session on the use of Bamboo Tamboos.

Bespoke meetings and phone conversations were held with HoM / Heads at all 9 Merton Secondary schools. MMF SLT and Curriculum Team continued to give informal on-going advice to Music Coordinators and tutors through email / telephone conversations (auditing resources, progression, curriculum planning, constructing composition projects, evaluation /assessment, report-writing, grade exam advice).

6 primary schools were supported to establish school-led WCET using Bamboo Tamboo instruments through a process of signposting and resource sharing and a series of staff CPD workshops led by members of the MMF Curriculum Team, linked to the pilot 'In2Music: Enthuse' strand.

25 NQTs from Wandsworth received an afternoon of music curriculum CPD

Tutor Workforce

Curriculum Team offered ongoing informal advice / guidance to tutor workforce. Training opportunities offered in each term. Support provided to tutors leading/co-leading Merton Youth Music ensembles.

A well supported tutor conference was held in September 18. Two tutors are writing piano methodology books, to be published in Autumn 19, and have approached SLT for advice and support which we are proud and happy to provide.

Core Staff

Internal ICT processes continue to be improved with a strong focus on staff training. New systems such as a shared electronic calendar, improved use of the communication functions of our Paritor database and upgrades to our computer systems have improved organisational efficiency and subsequently capacity.

Instrument Hire

Competitive instrument hire scheme provided to support learning with 222 instruments hired during 2018/19. Students eligible for Trust Fund support hired at no cost other than a termly administration fee of £15.

Partnership with Allianz Insurance provided discounted cover for parents hiring through MMF with a percentage donation to MMF of £25.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Large Scale/ High Quality Musical Experiences

Members of our MYM programme gave concerts at Christmas, Spring and in the summer to parents and supporters at Harris Academy Morden, Wimbledon International Music Festival, Wimbledon Tennis Championships, the Royal Albert Hall and the Tower of London.

Members of MYM performed at the high-profile Mayor of Merton's Carol concert.

MMF took students from MYCB, MYJO, and Marching Band on a 6 day tour of Belgium during which they gave 4 well-received concerts in 3 different venues, including the Menin gate in Ypres.

School music education plans

The school educational plan was built on MMF's current practice. All schools have been offered subsidised after school music clubs, and a minimum of a half day of MMF time for workshops, support or training. This has been well received and various schools booked 'bespoke' consultation time during the year and have negotiated after school provision.

43 (out of 46) Primary schools took up a license with Charanga, funded by MMF and this online resource is proving very popular with specialist and non-specialist music teachers.

Schools SLT teams refer to MMF for advice on appointments and tailored NQT support was offered again this year.

Schools continue to book up for a range of In2Music WCET programmes, with the one term variable models and PPA cover proving more popular. We have modelled a 'strictly' series of free small group tuition, with parents paying the hire charge based over 5 weeks with groups of no more than 10 children. This has led to more children continuing, one project resulting in 25% of the group carrying on with tuition. This is an expensive model and depends on core staff having sufficient capacity.

Despite losing LA funding, we have maintained close links with the Borough, speaking at the Heads Forum and liaising with the School Improvement Team.

Routes for Progression

The low continuation rate after WCET and other free or heavily subsidised programmes continues to be a concern. The focus has been on WCET delivery again this year with an increased number of projects and more training and support for tutors and teachers working in the classroom. All observations were at least good and feedback from teachers is positive. A notable success last year was establishing instrumental tuition at St Teresa's Primary with a register of entirely In2Music continuers; the school has historically been reluctant to have instrumental tuition during the school day. Careful and considered relationship management with the school and logistical support in establishing lesson timetables etc enabled the hub to overcome this. An afterschool Gamelan club was established at Beechholme Primary as an affordable continuation route for pupils from this very deprived part of the borough.

To support continuation, we continue to offer an automatic discount on lesson fees for continuers, which was amended to 25% for one year after WCET in 18-19.

MMF will continue work with schools and other partners to explore alternative ways to set up more satellite magnet centres across the borough. We continue to work in partnership with Harris Academy Morden and the Harris Federation.

Ensembles

MMF continues to provide a range of 25 ensembles through its Youth Music Programme and has responded to parental and tutor requests for new groups that will support progression. MMF is responding to more requests from schools to help provide after-school 'club' activities, including percussion and orchestra groups. The move to HAMD has led to the formation of percussion, guitar and Glee after school clubs.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Partnership development

Members of MMF's SLT have continued to meet formally and informally with all of its Hub partners over the year to ensure that the focus for all activities is clearly established and targeted where appropriate. The focus for our hub work is on developing connectivity with selected partners who can strengthen and broaden the reach of our education work.

To date this has included:

- Continued partnership work with Wimbledon Civic Theatre Trust, to support and deliver a range of arts projects with a particular focus on the most vulnerable high school aged students in a variety of formal and informal local settings (schools, youth groups, voluntary support groups etc.)
- Continued partnerships with jazz musician and educator Pete Churchill and Richard Mallett Arts Management and a new partnership with Grand Union Orchestra to develop RAH 2019 Liquid History, the focus of MMF's 2017-19 singing and ensemble strategy and RAH curriculum performance project (March 2019).
- On-going positive relationships with LBM officers and Merton Head Teachers (e.g. through Schools Forum and Hub meetings), to ensure continued high quality. Development of SLA to be launched September 19 in response to withdrawal of LBM funding.
- Support for curriculum music in schools, e.g. through provision of CPD and CLT support.
- Continued development of partnership work with Polka Theatre to deliver intergenerational choral activities for Polka40.
- Continued partnership with Blues and Roots Ensemble, Wimbledon International Music Festival, Wimbledon Community Chorus and Wimbledon Civic Theatre Trust.
- Continued strategic links with Hub partner Crown Lane Studio, to assist in the development and delivery of a range of projects and the production of resources for projects and curriculum support.
- Further expansion of percussion activities at CLS for lessons on Saturdays and every day after school.
- Continued partnership work with the Orchestra of the Age of Enlightenment and special schools. Culminating in an inclusive item presented at the RAH accompanied by massed primary choir and Concert Band. Project work has developed in partnership with a Wandsworth school with performance and sharing opportunities built into the project.
- Continued support of 3 community music-making groups, Wimbledon Community Chorus, Wandle Band and Wimbledon Community Orchestra (lending of music, professional services of Programmes Director to conduct WCC, shared performance opportunities).
- Collaboration with the Mayor's office, to provide local performance opportunities including at the Mayor of Merton's Christmas Service with other community groups.
- Continued partnerships with the Wimbledon Polish School and Wimbledon Community Chorus.
- A continued partnership with Harris Academy Morden. MMF provides 30k of services back to the school through instrumental tuition, after school clubs, workshop support, joint projects and teaching.
- Further partnership with Sonoro chamber choir, Wimbledon Choral Society and St John's Church with development of 2nd SingFest choral festival delivered in October 2018.
- Second year of partnership with the Tower of London for the Water City Festival.
- Second year of partnership with Jazz At Lincoln Centre for the 'Let Freedom Swing' project.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Music technology in teaching and learning

MMF continues to actively embrace the use of musical digital technology across several areas of teaching and learning.

MMF has moved on to the second phase of the new website specifically designed for parents, schools and our tutors. We have listened to feedback and used this to help guide the new development. It has a clean simple design that is friendly and welcoming. We have avoided jargon and exclusive language so it is not off putting to those without musical knowledge.

We have put together information and resources for non-specialist primary teachers on a teacher page and developed a photo gallery and detailed blog.

We have continued our partnership with Charanga. In 2018-2019, 43 out of 46 schools have amassed over 4193 hours of engagement using the Charanga Platform. MMF coordinated with Charanga staff to facilitate two progressive training sessions open to all primary music teachers covering basic and advanced applications of Charanga that were well attended. This CPD offering was further supplemented at Pelham primary school via the delivery of an in-school whole-staff training session led by MMF staff.

During the Summer term, MMF established an open dialogue with the education wing of music technology company, Steinberg looking at how collaboratively we can support secondary and primary colleagues to improve their music technology offering. A positive by-product of this new collaboration was the planning of staff training for MMF core and peripatetic staff in the use of new notation software, Dorico.

MMF has developed an open source website that provides music education resources to support the singing strategy in schools. This has included audio, video and downloadable teaching resources to support a range of projects. MMF uses Dropbox.

MMF continues to promote schools' interest and access to digital music resources. MMF has developed the teacher blog, "Merton Music Foundation Sound Ideas" and continues to add to this to share resources and good practice with schools.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Plans for the future

Our Music Education Business Plan for 2019-20 details our operational plans for the coming year. This will include further applications to Arts Council England's 'Grants for the Arts' Lottery funded programme to support music education projects and our projects for 18/19. Full details can be found in the latest copy of the plan, which can be downloaded from our website at www.mmf.org.uk/MMEH.

Other priorities include:

- Continue to review job roles and employee skills to remodel the workforce. New job specifications will be introduced alongside a new appraisal/staff review process to suit a changing arts landscape and the needs of the charity.
- To take forward a fundraising strategy and exploring new opportunities to engage funders and supporters. An external consultant has undertaken a review of current practice and made recommendations for implementation 19-20.
- Development of online and social media presence as a way of engaging with a wider audience and alumni group
- Further development of the charity's Management Board with the formation of new sub groups to support the charity's new senior leadership team. (e.g. Fundraising, Appointments & Salaries Review, Audit and Risk Assessment).
- Development of the partnership relationship between HAMD and MMF for mutual benefit.
- Confirmation that grant funding is in place from all our core funders for the 2019/20 financial year and beyond.
- Pledges are confirmed for all key partners wishing to work as part of the Charity's Music Education Hub programme during the 2019/20 financial year and onward to 2021.
- Review of the effectiveness of current partnership arrangements and to identify any new partners that could help support the next stage of MMF's hub development (2019-2021).
- Explore ways in which funding can be secured to deliver these new partnerships and start planning potential projects that could be delivered during this period.
- Maintaining the highest quality musical offer to the young people we serve.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Financial review

The principal movements in Income and Expenditure for the year were:

Income

Income was £1,330,279 in comparison with £1,107,423 for 2018, an increase of 20.1% on the previous year. Our biennial event at the Royal Albert Hall took place in 2019 and is the reason why income was higher in 2019.

Donations and legacies was £26,235, an increase from 2018 of £5,151 as a result of the donation of a grand piano.

The core Grant from Arts Council increased to £282,125, in comparison to the £253,637 received in the previous year.

Income from music tuition, music centre fees and other similar income streams, was up by 20.4% from £848,604 in 2018 to £1,021,880.

Investment income showed a return of only £39 on MMF's short-term deposits. This is due to interest rates, which have continued to remain very low during this financial period.

Expenditure

Total expenditure was £1,300,491 in 2019, 18.45% higher than the figure for 2018 of £1,097,905.

Support costs, as a percentage of total costs has continued to drop and represented 4% of total costs in 2019.

Financial position at year end

Taking into account income and expenditure, the charity realised an operational surplus of £29,788 for the year (2018: a surplus of £9,518) before revaluations and investment asset disposals.

Total fund balances as at August 2019 were £168,335 (2018: £138,543). This consisted of £155,362 of unrestricted funds and restricted funds of £12,973.

Unrestricted funds continued to increase in this financial year. The increase this year was by 24% to the figure of £155,362 increasing the level of 'free' funds available and was in line with the charity's Reserves Policy.

Restricted funds remained the same during the year. These funds principally represented amounts held by MMF for particular restricted purposes within the objects of the charity and were primarily made up of funds transferred from the Ronald Greenwood Music Trust funds received from the Federation of Music Services during 2010/11 for the purchase of musical instruments. Expenditure from the second fund had been capitalised within the accounts in prior years and is now reduced by depreciation associated with these capitalised assets. This is shown in note 17 of the Notes to the Financial Statements.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Reserves Policy

It is the policy of the Trust to seek to maintain unrestricted funds, which are free reserves of the charity at a level, which equates to at least one month unrestricted expenditure and over time to seek to build up reserves towards the prudent amount of three months as recommended by the Charity Commission. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised and contingency savings made. These reserves are to provide sufficient funds to cover management, administration and operational costs over the stated period. The Trustees review the policy annually and the level of reserves is assessed in light of prevailing conditions and known risks to the Charity's sources of funds.

Surplus/Deficit

The Foundation aims to make a small surplus year on year. Any projected deficit is managed through regular monitoring meetings between the Chief Executive and Programmes Director who have operational responsibility for the charity's programmes. If the deficit becomes an actual the Board of Trustees agree to cover the amount through use of reserves.

Investment Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees see fit.

The grant, which was received from the Department for Education via the Arts Council England, is specifically allocated to the expansion and development of the Foundation's music education services.

The Trustees do not consider it prudent to invest funds in stocks and shares, which are designed for the longer term. The charity has a policy to keep any surplus liquid funds in an interest bearing deposit account and seek to achieve a rate of interest, which matches or exceeds inflation. From time to time short-term deposits are deposited weekly or monthly on Treasury depending on the availability of reserves and having regard to the liquidity requirements of operating the Foundation.

Structure, governance and management

Governing document

Merton Music Foundation is a charitable company limited by guarantee, incorporated on 12 March 1991 and registered as a charity on 11 September 1991. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. None of the trustees has 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.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ian Newman	(Resigned 23 September 2019)
Michael Collins	
Clive Grinyer	(Resigned 24 September 2018)
Doreen Hewitt	(Resigned 24 September 2018)
Edward Hickman	
Ana Sallavuard	(Resigned 24 September 2018)
Rowena Maybury	
Ian Bond	
Andrew Freeman	(Resigned 12 March 2019)
Stephen Moran	(Appointed 12 November 2018)
Sandra Vogel	(Appointed 11 March 2019)
Mrs E Trevelyan	(Appointed 24 September 2018)
Mrs N Morgan	(Appointed 23 September 2019)

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Appointment of trustees

The trustees are also the directors for the purpose of company law. It is the Board of Trustees' collective responsibility to ensure that the organisation is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objectives. All trustees receive a quality standards document that outlines the required role of a trustee on the management board and the relevant standards and commitments that are expected of them.

Members of the Board are normally re-elected at each Annual General Meeting. Retirement is by rotation with trustees, being eligible, offering themselves for re-election based on those who have been longest in office since their last appointment or reappointment. New appointments to the Board are made after completion of a trustee skills gap analysis. Recruitment is normally by recommendation with suitable business, education or charity experience sought. A curriculum vitae is required from candidates and existing Board members approve all applications. Vetting checks include ensuring candidates have not been disqualified from acting as a trustee and enhanced checks with the Disclosure and Barring Service (DBS).

All members of the Board gave their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in the note 7 to the accounts.

Related parties and co-operation with other organisations

MMF works closely with the Friends of Merton's Young Musicians (FMYM) (Charity No. 274493R). FMYM is the parents' association for our Music Centre activities, which are based at the Chaucer Centre. The Chief Executive serves in an ex-officio non-voting capacity on the management committee of FMYM.

Organisation

The Board of Trustees meets termly to manage the affairs of the charity. The Board consisted of **nine** directors, from a variety of professional backgrounds, who are responsible for the overall strategic direction and policy of the charity. The Chief Executive, manages the day-to-day operations of the charity, and as delegated authority, within terms of delegation approved by the trustee body, for operational matters including finance, employment and artistic related activity.

Risk management

The Trustees have a risk management policy, which comprises an annual review of the risks the charity may face and establishes systems and procedures to mitigate those risks identified.

Health & safety and child protection

The health and safety of staff and students together with child protection are primary concerns to the Trustees. Music Centre managers and other key staff undertake both first aid and fire marshal training and all staff are made aware of their own duties and responsibilities for health and safety issues.

Merton Music Foundation adopts the current Child Protection requirements as set out by the Home Office. Prior to the commencement of work enhanced DBS checks take place for all new staff together with at least two satisfactory references and interview. DBS's are rechecked for all staff and trustees every 3 years.

MERTON MUSIC FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

For the year ended 31 August 2019

Auditor

In accordance with the company's articles, a resolution proposing that WSM Advisors Limited be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

.....

Edward Hickman

Trustee

Dated:

MERTON MUSIC FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

For the year ended 31 August 2019

The Trustees, who are also the directors of Merton Music Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

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

MERTON MUSIC FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF MERTON MUSIC FOUNDATION

Opinion

We have audited the financial statements of Merton Music Foundation (the 'charitable company') for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, 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 charitable company's affairs as at 31 August 2019 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19. All audits assess and challenge the reasonableness of estimates made by the trustees and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Covid-19 is amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a charitable company associated with these particular events.

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 charitable company'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.

In our evaluation of the trustees' conclusions, we considered the risks associated with the charitable company's business model, including effects arising from macro-economic uncertainties such as Covid-19, and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charitable company will continue in operation.

MERTON MUSIC FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MERTON MUSIC FOUNDATION

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.

MERTON MUSIC FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF MERTON MUSIC FOUNDATION

Sophie Holborn (Senior Statutory Auditor)
for and on behalf of WSM Advisors Limited

.....

Chartered Accountants
Statutory Auditor

Connect House
133-137 Alexandra Road
Wimbledon
London
SW19 7JY

WSM Advisors Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

MERTON MUSIC FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 August 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations and legacies	3	26,235	-	26,235	5,151
Charitable activities	4	1,021,880	282,125	1,304,005	1,102,241
Investments	5	39	-	39	31
Total income		<u>1,048,154</u>	<u>282,125</u>	<u>1,330,279</u>	<u>1,107,423</u>
<u>Expenditure on:</u>					
Charitable activities	6	<u>1,300,491</u>	<u>-</u>	<u>1,300,491</u>	<u>1,097,905</u>
Net (outgoing)/incoming resources before transfers		(252,337)	282,125	29,788	9,518
Gross transfers between funds		<u>282,125</u>	<u>(282,125)</u>	<u>-</u>	<u>-</u>
Net income for the year/ Net movement in funds		29,788	-	29,788	9,518
Fund balances at 1 September 2018		<u>125,574</u>	<u>12,973</u>	<u>138,547</u>	<u>129,025</u>
Fund balances at 31 August 2019		<u><u>155,362</u></u>	<u><u>12,973</u></u>	<u><u>168,335</u></u>	<u><u>138,543</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MERTON MUSIC FOUNDATION

BALANCE SHEET

As at 31 August 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	10		56,960		25,549
Current assets					
Stocks	12	-		1,500	
Debtors	13	5,461		32,902	
Cash at bank and in hand		240,579		225,936	
		246,040		260,338	
Creditors: amounts falling due within one year	14	(134,665)		(147,344)	
Net current assets			111,375		112,994
Total assets less current liabilities			168,335		138,543
Income funds					
Restricted funds			12,973		12,973
Unrestricted funds			155,362		125,570
			168,335		138,543

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2019, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on

.....
Edward Hickman
Trustee

Company Registration No. 02590621

MERTON MUSIC FOUNDATION

STATEMENT OF CASH FLOWS

For the year ended 31 August 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	22		49,278		55,753
Investing activities					
Purchase of tangible fixed assets		(34,674)		(6,288)	
Interest received		39		31	
Net cash used in investing activities			(34,635)		(6,257)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			14,643		49,496
Cash and cash equivalents at beginning of year			225,936		176,440
Cash and cash equivalents at end of year			240,579		225,936

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2019

1 Accounting policies

Charity information

Merton Music Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Harris Academy Morden, Lilleshall Road, Morden, SM4 6DU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have undertaken an assessment of the adequacy of the resources available to the charity and have taken in to account the impact of the coronavirus on the charity as well as the expected support to businesses available from the government measures in place through the period of disruption caused by coronavirus. The trustees have a reasonable expectation the charity has adequate resources to continue in operational existence for the foreseeable future and accordingly continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Incoming resources

Incoming resources represents tuition fees, income from concerts, tours, hire of instruments, music centre subscription and other fees rendered in the year.

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to membership received under Gift Aid or deeds of covenant is recognised at the time of the receipt.

1.4 Resources expended

Expenditure for charitable purposes

Direct charitable expenditure includes all expenditure directly related to the objectives of the charitable company and comprises the costs of providing instrumental tuition, concert performances, tours, and education and community projects undertaken by the charitable company and is accounted for when payable.

Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Governance costs

Governance costs represent expenditure incurred in the management of the charitable company's assets, organisational administration and compliance with constitutional and statutory requirements.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Musical instruments	0% per annum
Computer equipment	25% on reducing balance basis
Office equipment	25% on reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.6 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less,

1.9 Financial instruments

The charitable company 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when 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 debtors 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. Financial assets classified as receivable within one year are not amortised.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.11 Fund Accounting

The funds held by the charitable company are either:

Restricted funds - these are funds that can be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular purposes.

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes

The funds received in the year are transferred to the general fund to be set off against expenses in the year that relate to the agreed activities with Arts Council England.

Peter Wooding's bursary fund

These funds have been designated by the charitable company to support exceptional young musicians at the request of Peter Wooding's family. The fund was established with donations made to 'the charitable company'. The charitable company held sufficient cash balances at the year end to allow the funds to be applied as intended.

Greenwood bursary fund

The Greenwood bursary fund was established by the charitable company from funds transferred to it from the Ronald Greenwood Musical Trust by the London Borough of Merton who had previously operated the trust. The fund is operated in accordance with the Ronald Greenwood Musical Trust deed and awards are made to young musicians who show great promise. The charitable company held sufficient cash balances at the year end to allow the fund to be operated in accordance with the Trust deed.

Wider Opportunities

The grant's original use was restricted to the purchase, lease or repair of musical instruments suitable for use with children in KS2. The funds were applied as intended in the period of receipt and the remaining reserve is now reduced by the depreciation and disposal of the fund- purchased musical instruments.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

1 Accounting policies

(Continued)

Arts Council England Funding

The charitable company received a grant in the year from the Arts Council England. According to the Funding Agreement, the use of the grant is restricted to the agreed activities with the Arts Council. The grant is recognised in the accounts when they are received and applied to the period it relates to.

Dorothy Taylor Bequest

The charitable company received restricted funds within the current year to support one girl and one boy in their musical studies for the period of 4 years at the request of the late Dorothy Taylor.

Arts Council England 'Grants for the arts'

The charitable company received restricted funds within the current year to support its Backstories and Radio Retro Projects.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2019	2018
	£	£
Donations and gifts	22,211	906
Gift aid claimed in prior years	4,024	4,245
	<u>26,235</u>	<u>5,151</u>

The income from voluntary income was £26,235 (2018:£5,151) of which all are unrestricted income.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

4 Charitable activities	Tuition fees		Hire of instruments		Music centre subscriptions		Concert and tour receipts		Fees - inset		Grants receivable		Other income		Total 2019		Total 2018	
	2019	£	2019	£	2019	£	2019	£	2019	£	2019	£	2019	£	2019	£	2018	£
Sales within charitable activities	723,196		34,793		68,172		180,991		8,460		-		6,268		1,021,880		802,604	
Performance related grants	-		-		-		-		-		282,125		-		282,125		299,637	
	723,196		34,793		68,172		180,991		8,460		282,125		6,268		1,304,005		1,102,241	
Analysis by fund																		
Unrestricted funds	723,196		34,793		68,172		180,991		8,460		-		6,268		1,021,880		848,604	
Restricted funds	-		-		-		-		-		282,125		-		282,125		253,637	
	723,196		34,793		68,172		180,991		8,460		282,125		6,268		1,304,005		1,102,241	
For the year ended 31 August 2018																		
Unrestricted funds	628,373		25,859		56,545		68,421		19,259		46,000		4,147				848,604	
Restricted funds	-		-		-		-		-		253,637		-				253,637	
	628,373		25,859		56,545		68,421		19,259		299,637		4,147				1,102,241	

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

5 Investments

	2019 £	2018 £
Interest receivable	39	31

The income from investments was £39 (2018: 31) which was unrestricted.

6 Charitable activities

	Staff costs 2019 £	Depreciation 2019 £	Other direct costs 2019 £	Allocated other costs 2019 £	Total 2019 £	Total 2018 £
Instrumental tuition	192,873	-	363,989	37,179	594,041	440,505
Youth music programme	229,072	-	89,988	9,295	328,355	291,859
Tours and Concerts	13,642	-	38,967	9,295	61,904	127,299
Professional advice and support to	4,369	-	-	4,647	9,016	26,866
CPD training	73,218	-	-	4,647	77,865	9,110
Project development	11,183	-	137,729	9,295	158,207	109,821
Instrument repair and hire	-	3,265	5,579	9,295	18,139	33,105
	524,357	3,265	636,252	83,653	1,247,527	1,038,565
Share of support costs (see note 7)	20,742	-	11,454	9,295	41,491	48,717
Share of governance costs (see note 7)	-	-	11,473	-	11,473	10,623
	545,099	3,265	659,179	92,948	1,300,491	1,097,905
Analysis by fund						
Unrestricted funds	545,099	3,265	659,179	92,948	1,300,491	1,097,376
Restricted funds	-	-	-	-	-	529
For the year ended 31 August 2018						
Unrestricted funds	501,676	8,519	490,133	97,048		1,097,376
Restricted funds	-	-	529	-		529
	501,676	8,519	490,662	97,048		1,097,905

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

7 Support costs

	Support cost £	Other costs £	2019 £	2018 £	
Salaries	19,705	-	19,705	26,204	
Pension costs	1,037	-	1,037	1,105	
Legal and professional fee	1,852	-	1,852	2,430	
Bank charges	7,191	-	7,191	5,875	
Sundries	2,411	-	2,411	1,610	
Depreciation	-	-	-	1,789	
Allocated support	9,295	-	9,295	9,705	
Audit and accountancy fee	-	11,473	11,473	10,623	Governance
	<u>41,491</u>	<u>11,473</u>	<u>52,964</u>	<u>59,341</u>	
Analysed between					
Charitable activities	<u>41,491</u>	<u>11,473</u>	<u>52,964</u>	<u>59,340</u>	

Governance costs includes payments to the auditors of £8,730 (2018- £7,080) for audit fees.

These costs are allocated across the charitable activities based on the trustees estimate of the appropriate proportion attributable to each activity.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Number of employees	12	11
	£	£
Wages and salaries	467,021	424,960
Social security costs	34,679	34,281
Other pension costs	43,399	42,437
	545,099	501,678

The number of employees whose annual remuneration was £60,000 or more were:

	2019 Number	2018 Number
£60,000 to £70,000	1	1

Number of employees whose emoluments exceed £60,000 1 (2018: 1 employee) has retirement benefits accruing under defined benefit pension schemes. A total of £11,157 (2018: £11,003) was paid to the Teachers' pension Scheme in the year for this employee.

9 Taxation

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

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

10 Tangible fixed assets

	Musical instruments £	Computer equipment £	Office equipment £	Total £
Cost				
At 1 September 2018	197,283	33,550	30,539	261,372
Additions	26,982	7,692	-	34,674
At 31 August 2019	224,265	41,242	30,539	296,046
Depreciation and impairment				
At 1 September 2018	177,099	30,656	28,066	235,821
Depreciation charged in the year	-	2,647	618	3,265
At 31 August 2019	177,099	33,303	28,684	239,086
Carrying amount				
At 31 August 2019	47,166	7,939	1,855	56,960
At 31 August 2018	20,184	2,894	2,471	25,549

11 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	5,461	32,902
Carrying amount of financial liabilities		
Measured at amortised cost	48,946	37,645

12 Stocks

	2019 £	2018 £
Stock	-	1,500

13 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,461	12,841
Other debtors	4,000	20,061
	5,461	32,902

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

14 Creditors: amounts falling due within one year

	Notes	2019 £	2018 £
Other taxation and social security		9,736	10,569
Deferred income	15	75,983	99,130
Trade creditors		16,245	4,788
Other creditors		14,421	17,382
Accruals		18,280	15,475
		<u>134,665</u>	<u>147,344</u>

15 Deferred income

	2019 £	2018 £
Arising from government grants	-	26,833
Arising from other deferred income	75,983	72,297
	<u>75,983</u>	<u>99,130</u>

Other deferred income relates to deposits and fees paid in advance for the following year.

	2019 £	2018 £
Total deferred income at 1 September 2018	99,130	44,649
Amount received in the year	75,983	99,130
Amounts credited to statement of financial activities	(99,130)	(44,649)
	<u>75,983</u>	<u>99,130</u>
Total deferred income at 31 August 2019	<u>75,983</u>	<u>99,130</u>

16 Retirement benefit schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees not in the Teachers Pension Scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

17 Analysis of net assets between funds

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total 2019 ££	Restricted funds 2018 £	Unrestricted funds 2018	Total 2018 £
Fund balances at 31 August 2019 are represented by:						
Tangible assets	-	56,960	56,960	-	25,549	25,549
Current assets/(liabilities)	12,973	98,402	111,375	12,973	100,021	112,994
	<u>12,973</u>	<u>155,362</u>	<u>168,335</u>	<u>12,973</u>	<u>125,570</u>	<u>138,543</u>

18 Financial commitments, guarantees and contingent liabilities

The liability of the members is limited. Every member undertakes to contribute an amount not exceeding £1 to the assets of the company, in the event of the company being wound up whilst they are a member, or within one year after ceasing to be a member, for the payment of the debts and liabilities of the company contracted before ceasing to be a member.

19 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Between two and five years	<u>35,498</u>	<u>53,247</u>

20 Related party transactions

None of the trustees (or any person connected with them) received any remuneration, reimbursed expenses or benefits from the charitable company during the year.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2019

21 Teachers' Pension Scheme

The charity participates in the Teachers' Pension Scheme (England and Wales) (the "TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £38,872 (2018: £39,916).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS on 6 September 2018 to allow the Department for Education to finalise this valuation. Early indications from the valuation are that the amount employers will be required to pay towards the scheme may increase substantially from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

Five (2018:Five) members of staff who are not eligible to join the Teachers' Pension Scheme participated in a defined contribution scheme to which the charity contributed £2,556 (2018: £2,522).

22 Cash generated from operations	2019 £	2018 £
Surplus for the year	29,788	9,518
Adjustments for:		
Investment income recognised in statement of financial activities	(39)	(31)
Depreciation and impairment of tangible fixed assets	3,265	8,519
Movements in working capital:		
Decrease in stocks	1,500	-
Decrease/(increase) in debtors	27,441	(8,178)
Increase/(decrease) in creditors	10,470	(8,556)
(Decrease)/increase in deferred income	(23,147)	54,481
Cash generated from operations	49,278	55,753