

**YOUTH MUSIC CENTRE**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2020**

**YOUTH MUSIC CENTRE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**DIRECTORS**

J Edwards  
S Warner (Chair)  
M Hurwitz  
A Sharpe  
A Craig  
I B Brito  
H Taherabadi  
A Burch

**SECRETARY**

S Warner

**REGISTERED OFFICE**

29 Whitehall Lodge  
Pages Lane  
London  
N10 1NY

**COMPANY REGISTERED NUMBER**

03816808

**REGISTERED CHARITY NUMBER**

1077495

**ACCOUNTANTS**

Pollock Accounting Ltd  
Chartered Management Accountants  
3/4 Sentinel Square  
London NW4 2EL

**YOUTH MUSIC CENTRE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

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**YOUTH MUSIC CENTRE**  
**STRATEGIC REPORT**  
**FOR YEAR ENDED 31 JULY 2020**

**YOUTH MUSIC CENTRE**  
**STRATEGIC REPORT**  
**FOR YEAR ENDED 31 JULY 2020**

The directors present their strategic report for the year ended 31 July 2020. The Council Members have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

## **REVIEW OF THE BUSINESS**

### **Objectives and Activities:**

The charity is constituted as a company limited by guarantee, and is therefore governed by a memorandum and articles of association.

The charity's object and its principal activity is to provide a happy environment in which young people can come together to realise their musical potential. This is achieved through the provision of a Saturday morning music school, the Youth Music Centre, offering a variety of musical activities and classes ranging from musicianship, choir and instrumental tuition to orchestras and ensemble work.

The charity wishes to give opportunities to all young people irrespective of ability or financial situation, therefore entry is open to anyone who wants to take part and assisted places are provided where necessary.

The charity is so organised that its Council Members meet regularly with the Artistic Director, the Administrator and the Finance Assistant to offer their support in the running of the school and to oversee its financial management. Steps have been taken to allocate specific appropriate roles to Council Members/Trustees to ensure appropriate oversight in the interests of good governance.

### **Development, activities and achievements this year:**

Apart from its regular Saturday morning activities and a successful concert at the end of the Autumn term, YMC students took part in several musical activities including Barnet Council's Holocaust memorial, and the Chamber Orchestra gave a very successful lunchtime concert in St-Martin's-in-the-Fields to a large and appreciative audience. This provides a wonderful opportunity for our students to perform to a wider public in a larger and different setting from their normal venues.

The pandemic meant that in the second half of the year YMC faced an extremely challenging time as it was unable to continue its activities at Bigwood House. However, it was able to adapt and continue to function using Zoom as a means of continuing to deliver tuition, thanks to the work undertaken by the Artistic Director, Nigel Goldberg and all the members of the teaching and support staff, in particular Marina Solarek. A contingency plan was devised. The expected decline in student numbers which resulted from this proved to be less severe than had been feared at the start of the lockdown period. The summer term culminated in a very successful on-line concert at the end of term, for which individual musical contributions by students were recorded and edited into ensemble performances. This was attended by many parents and our patron Gyorgy Pauk, who was most complimentary about what he had seen. It was necessary, however, to postpone the concerto prize until next year.

The decline in student numbers noted last year has stabilized but we continue to monitor the trends, with particular reference to the termly income which this generates, against termly expenditure.

There has been a considerable improvement in our financial position, largely due to the success of Bursary Fund launched at our Summer concert in 2019. There have been generous donations this year from a number of organisations and foundations to which applications were made, as well as from individuals, (including a donation to general funds) for which YMC remains extremely grateful. This success has been largely due to the advice and assistance of a professional fund raiser, working in conjunction with the Artistic Director, whose hard work on this is much appreciated. It is recognised the operating surplus achieved this year must however be viewed by recognizing that income derived from the Bursary Fund (which is ring-fenced for this purpose) can only be used by allocating it to assisted places, and is therefore dependent on the number of such places which are awarded. We have been especially pleased to be able to use some of the fund to help students from families suffering financial hardship in the current financial climate. Our approaches to local schools and offers to do workshops in them to generate interest will continue once conditions permit.

**YOUTH MUSIC CENTRE**  
**STRATEGIC REPORT**  
**FOR YEAR ENDED 31 JULY 2020**

Marina Solarek, our Administrator, continues to produce a termly newsletter, which provides an excellent means of disseminating information to everyone associated with YMC.

The Directors wish to thank Nigel Goldberg (Artistic Director), Marina Solarek (Administrator), Natasha Dedic (Finance Assistant) and all the teaching staff at YMC for the skill and dedication they bring to their respective roles. It is due to them that the school flourishes as it does.

In the coming year, we plan to continue and consolidate the various activities that have taken, by continuing to recruit more students, and maintaining and expanding existing classes and opportunities that we offer as the situation allows. However, we are also aware of the importance of being realistic when setting the budget for the following year.

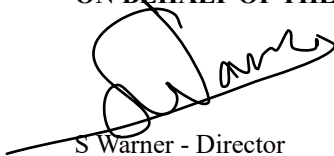
#### **FINANCIAL REVIEW**

The statement of financial activities shows a stable position with a surplus of £12,771 for the year which the directors consider to be satisfactory subject to the comment appearing above. Our reserves stand at £61,849 a level at which the directors feel appropriate for the stability of the charity going forward.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The effects of the pandemic, and a reduction in student numbers from previous years remain the principal risk. The risks, and responses to them, are reviewed at each meeting of YMC's council members. Subject to these matters, the directors are satisfied as to the continuing viability of the charity.

#### **ON BEHALF OF THE BOARD:**



S Warner - Director

Date: 4 January 2021

**INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF DIRECTORS  
ON THE FINANCIAL STATEMENTS OF  
YOUTH MUSIC CENTRE  
FOR THE YEAR ENDED 31 JULY 2020**

I report on the accounts of the company for the year ended 31 July 2020 which are set out on pages 6 to 10

**Respective responsibilities of Council members and examiner:**

The council members (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Council members consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required, it is my responsibility to:

- \* examine the accounts under section 145 of the 2011 Act;
- \* to follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act; and
- \* to state whether particular matters have come to my attention.

**Basis of independent examiner's report:**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as councillors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiners statement:**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records with sections 386 and 387 of the companies act 2006; and to prepare accounts which accord with the accounting records, comply with the accounting requirements of sections 395 and 395 of the companies act 2006 and with the methods and principles of the Statement of Recommended Practice applicable to charties preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom (FRS 102) (effective 1 January 2015) by Charities have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Independent Examiner: David Pollock, FCMA

**Pollock Accounting**  
Chartered Management Accountants  
3/4 Sentinel Square  
London NW4 2EL

4 January 2021

**YOUTH MUSIC CENTRE  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 JULY 2020**

	<b>Unrestricted Funds General £</b>	<b>Restricted Funds Bursary £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Income and Expenditure</b>				
<b>Incoming Resources</b>	79,525	14,738	94,263	86,920
<b>Resources Expended</b>				
Direct charitable expenditure	59,294	-	59,294	68,902
Fundraising and publicity	2,480	-	2,480	110
Management and administration of the charity	19,432	-	19,432	21,399
Depreciation	286	-	286	381
<b>Total Resources Expended</b>	81,492	-	81,492	90,792
<b>Net (Outgoing)/Incoming Resources</b>	(1,967)	14,738	12,771	(3,872)
Transfer between funds	4,252	(4,252)	-	-
<b>Net Incoming/(Outgoing) Resources for the year</b>	2,285	10,486	12,771	(3,872)
<b>Net Movement in Funds</b>	2,285	10,486	12,771	(3,872)
<b>Fund Balances forward at 31 July 2020</b>	2,285	10,486	12,771	(3,872)

The notes on pages 9-11 form part of these financial statements



**YOUTH MUSIC CENTRE**  
 Company registered number: 03816808  
**STATEMENT OF FINANCIAL POSITION AT 31 JULY 2020**

	Note	2020	2019
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	3	857	1,143
<b>CURRENT ASSETS</b>			
Cash at bank		62,792	49,736
		62,792	49,736
<b>CREDITORS: Amounts falling due within one year</b>	4	1,800	1,801
<b>NET CURRENT ASSETS</b>		60,992	47,935
<b>NET ASSETS</b>		<b>£ 61,849</b>	<b>£ 49,078</b>
<b>FUNDS</b>	5		
Restricted funds - Bursaries		10,486	-
Unrestricted funds		51,363	49,078
<b>TOTAL FUNDS</b>		<b>£ 61,849</b>	<b>£ 49,078</b>

In approving these financial statements as Members of the Council of the company we hereby confirm the following:


For the year in question the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2020 in accordance with section 476 of the Companies Act 2006.

The members of the council acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 SORP.

**The accounts were approved by the Members of the Council on 4 January 2021 and were signed on its behalf by:**

  
 S Warner, Member of the Council

20th December 2020

The notes on pages 9-11 form part of these financial statements

**YOUTH MUSIC CENTRE**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1a. Statement of compliance**

Youth Music Centre is a company limited by guarantee incorporated in England & Wales.

Registered office:  
29 Whitehall Lodge  
Pages Lane  
London  
N10 1NY

These financial statements are the first financial statements that comply with FRS 102. The date of transition is 1 August 2019.

The transition to FRS 102 has resulted in a small number of changes in accounting policies to those used previously.

The nature of these changes had no overall impact on opening equity and profit for the comparative period.

**Basis of accounting**

These financial statements have been prepared in accordance with the provisions of Section 1A of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" the Charities SORP and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention.

**1c. Revenue recognition**

Income is recognised when the charity has entitlement to the funds and it is probable the income will be received.

**1d. Taxation**

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

**1e. Tangible fixed assets**

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off each asset over its estimated useful life.

Equipment	Reducing balance 25%
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**1f. Fund accounting**

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

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

**YOUTH MUSIC CENTRE**  
**NOTES TO THE ACCOUNTS (CONT.)**  
**FOR THE YEAR ENDED 31 JULY 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES (CONT.)**

**1g. Short term debtors and creditors**

Debtors and creditors receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in profit and loss.

**1h. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of twelve months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities.

For the purpose of statement of cash flows, bank overdrafts which are repayable on demand form an integral part of the Company's cash management are included as a component of cash and cash equivalents.

**2. DIRECTORS AND EMPLOYEES**

The average weekly number of employees during the year were as follows:

	<b>2020 No.</b>	<b>2019 No.</b>
Unpaid Council Members	8	8

**3. TANGIBLE ASSETS**

	<b>Equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 August 2019	7,775	7,775
At 31 July 2020	7,775	7,775
<b>Depreciation</b>		
At 1 August 2019	6,632	6,632
For the year	286	286
At 31 July 2020	6,918	6,918
<b>Net Book Amounts</b>		
At 31 July 2020	£ 857	£ 857
At 31 July 2019	£ 1,143	£ 1,143

**YOUTH MUSIC CENTRE**  
**NOTES TO THE ACCOUNTS (CONT.)**  
**FOR THE YEAR ENDED 31 JULY 2020**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	1,800	1,801
	<u>£ 1,800</u>	<u>£ 1,801</u>

**5. CHARITY FUNDS**

	<b>General (Unrestricted)</b>	<b>Bursaries (Restricted)</b>
	<b>£</b>	<b>£</b>
Balance B/fwd	49,078	0
Receipts	79,525	14,738
Expenditure	(81,492)	0
Transfer for bursaries granted	4,252	(4,252)
	<u>51,363</u>	<u>10,486</u>

**6. RELATED PARTY TRANSACTIONS**

There were no related party transactions to report.

**YOUTH MUSIC CENTRE**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2020**

	<b>2020</b>		<b>2019</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>				
Tuition fees		71,185		77,586
Bursary funding		14,738		-
Donations, etc		8,100		8,994
		<hr/>		<hr/>
		94,023		86,580
 Cost of tuition:				
Rent of premises	7,915		12,435	
Teachers fees	50,290		55,895	
Other direct expenses	1,089		572	
	<hr/>		<hr/>	
	59,294		68,902	
		<hr/>		<hr/>
		59,294		68,902
 Gross profit		34,729		17,678
Bank interest received		240		340
		<hr/>		<hr/>
		34,969		18,018
 Less:				
Fund raising and marketing costs	2,480		110	
Support costs	19,432		21,399	
Depreciation and amortisation	286		381	
	<hr/>		<hr/>	
		22,198		21,890
		<hr/>		<hr/>
Net surplus/(deficit) for the year		12,771		(3,872)
 Retained surpluses brought forward		49,078		52,950
		<hr/>		<hr/>
Retained surpluses carried forward		£ 61,849		£ 49,078
		<hr/>		<hr/>

This page does not form part of the Company's Statutory Financial Statements and is prepared for the information of the Directors only.

**YOUTH MUSIC CENTRE**  
**INCOME AND EXPENDITURE ACCOUNT SUMMARIES**  
**FOR THE YEAR ENDED 31 JULY 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Fund raising and marketing:</b>		
Advertising & sales promotion	2,480	110
	<u>£ 2,480</u>	<u>£ 110</u>
 <b>Support costs:</b>		
Administrators fees	16,743	18,149
Computer costs	-	110
Accountancy	1,800	1,800
Insurance	434	434
Stationery & office supplies	10	453
Telephone	135	393
Sundry expenses	250	-
Bank charges	60	60
	<u>£ 19,432</u>	<u>£ 21,399</u>
 <b>Restricted Funds</b>		
<b>Depreciation and amortisation:</b>		
Depreciation of equipment	286	381
	<u>£ 286</u>	<u>£ 381</u>

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