

**DIAPASON LIMITED**

**Company No. 899572**

**Charity No. 264274**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2016**

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## **DIAPASON LIMITED**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 JULY 2016**

The Trustees present their report for the year ended 31 July 2016.

#### **Status**

Diapason Limited is a company limited by guarantee (no 899572) and a registered charity (no 264274), governed by its Memorandum and Articles of Association.

#### **Operating Name**

Diapason Limited operates under the name of Young Music Makers (YMM).

#### **Trustees**

The trustees throughout the year and at the date of signing this report, who are also directors for the purposes of the Companies Act, were:

Robert Sumerling – Chair  
Koullis Kyriacou - Treasurer  
Annie Black  
Susanna Butterworth  
Judith Dimant MBE  
Ben Geoghegan - Secretary  
Michael Yule  
Martina Wicklein (appointed 6.2.16)

Trustees are elected at the Annual General Meeting, and one third of the Trustees are required to retire by rotation each year but may be re-elected.

#### **Registered Office**

24 Chesham Road  
London SE20 7RH

#### **Independent Examiner**

David Harrod FCA  
Harrod Neilson & Company  
Chartered Accountants  
Bushey Heath  
Hertfordshire  
WD23 1PH

#### **Bankers**

Lloyds Bank plc  
140 Camden High Street  
London NW1 ONG

## **DIAPASON LIMITED**

### **TRUSTEES REPORT FOR THE YEAR ENDED 31 JULY 2016**

#### **Objectives, Policy and Operations.**

We the current trustees are pleased to give this report on Young Music Makers activities in the academic year which ended on 31 July 2016. YMM was established with the object of advancing the musical education of children by providing the means to encourage children to make music together from an early age. The company Diapason Ltd. which is limited by guarantee and trades as YMM was incorporated in 1967. YMM started as an unincorporated business a few years before that. It carries out its objectives by providing a weekend music school mainly for children but is open to students of all ages. The school provides tuition by individual lessons, small and large groups and also organises regular concerts to provide performance opportunities.

There have been no changes in policy since the last report.

#### **Organisation**

Governance, that is the strategic management of YMM, oversight of its finances, and approval of teachers and policy setting is carried out by the Committee of unpaid voluntary Trustees (who are also the Directors for the purposes of Company Law). We are all parents of children and young people who are, or until recently have been, students at YMM or who have our own close connections with the school. The trustees are the means by which YMM staff account to parents and students. We are always looking out for new members to join the committee so that it represents the current school population.

Management and detailed running of the school was carried out during the year by the Administration Team comprising the Music Director Daisy Coole and the Administration Director Sally Evans. The Administration Team work from their own homes/premises during the week and at YMM's Centre (which was at William Ellis School and then from February 2016 at La Sainte Union School) on Saturdays. The Musical Director advises the Trustees on formulation and implementation of music policy, the availability of appropriate teachers and is responsible for the organisation of concerts.

The Administration Director is responsible for liaison with La Sainte Union School, communication with teachers and parents, organisation and management of timetables, facilities for lessons and groups, and recording attendance of students. The Administration Team jointly manage teachers, teacher absences and supervision of deputies for any absent teachers.

The Administration Director is responsible for finance by collecting, recording and banking tuition fees paid by parents and students. She pays general outgoings, teachers' pay and administration fees. All payments (with supporting documentation) are approved by 2 Trustees. Finance is increasingly dealt with by IT and online banking is now routine. We encourage parents and students to pay fees online as part of a move to simplify YMM's finances. The Administration Director has financial authority in conjunction with one trustee for many routine financial items.

Teachers, who number around 28, are encouraged to join YMM on the recommendation of the Administration Team. The Musical Director appraises the early performance of each new teacher and makes a progress report to Trustees at the end of that teacher's probationary first term. Because they will be working with children, all teachers and directors working at YMM are required to complete an enhanced checking procedure and must hold current clear DBS (Disclosure and Barring Service) certificates. They are informed of YMM's child safeguarding policy and that policy is regularly reviewed by the Trustees.

The Administration Team run the school on Saturdays helped by a group of young assistants who set up school rooms for lessons and groups, seating for concerts, photocopying, clearing and storing equipment at the end of the day.

The trustees meet at least once a term with the Administration Team. The Company AGM is held each year in January and this time will be on Saturday 14 January 2017 at 1230 at La Sainte Union School. Most of the Trustees visit the school on most Saturdays, liaising with the Directors in making day to day decisions and dealing with finance. The Trustees are expected to attend the full YMM Concert held at the end of each term and indeed there is always a good and usually full attendance at these very enjoyable showcase events. The two directors are in constant liaison with the Chair and Treasurer.

The Annual General Meetings (AGM) and all other termly meetings are open to the parents. Structured as normal for organisations which are public facing, the format of all meetings are Part 1 – (open to all), and Part 2 (closed) – which deals with confidential items such as pay reviews. The meetings are advertised on the YMM website as well as in the school foyer.

#### **Review of Activities for the year.**

YMM has been a vital part of the North London music scene providing musical education for over 50 years. We operate on Saturdays in school term time. Until February 2016 YMM was at William Ellis School and in February 2016 moved to La Sainte Union School, both in Highgate Road London NW5. We are grateful to William Ellis School which had hosted YMM since the early 1990s and also to La Sainte Union for the provision of facilities.

The café (a separate business) which operates from the school canteen is a vibrant and vital part not only of the YMM fabric but is also a social meeting point for parents, teachers and students in its own right. Small concerts showcasing skills are held regularly each Saturday. We have again had a strong year. Student numbers were around 300 and, whilst this is a drop from previous years, various initiatives to recruit new members are in place. On a financial note our policy is to retain in reserve the equivalent of one term's operating costs. The trustees are satisfied that the current reserve is at a prudent level. We monitor finance constantly. YMM does not receive any local authority funding and is wholly dependent on fee income and occasional charitable grants for instrument purchase. Student fees were raised in January 2015 and both teachers' pay and student fees are reviewed regularly.



**School move and appointment of new Administration Director.**

In late 2014 the trustees decided that with impending building works at William Ellis School we should contemplate moving and so during 2015 we negotiated with La Sainte Union School, made a final decision in November 2015 when terms were ready for signature and moved in February 2016. The process took a great deal of time and work by the Administration Director, Music Director and Chair of Trustees. There were some anxious moments but the result is good with YMM now operating in the LSU dedicated music rooms in the Hallion Block.

At the same time our Administration Director Sally Evans, who had run YMM with great success since 2000, decided she would retire from YMM in July 2016 and the Trustees ran a competition for reappointment during winter 2015-16. With some 24 expressions of interest and 10 applications, 4 were shortlisted and the post was awarded to Becky McChrystal, a talented professional percussionist who plays to masters degree level and who began work alongside Daisy Coole in July 2016. We are very privileged to have someone of Becky's talent as a multi-instrumentalist, teacher and arts administrator to build on Sally's dedicated and inspired years of work.

Sally led YMM with immense drive and will long be remembered for her always warm, strong and enthusiastic presence. With typical modesty she asked us not have a big send-off but we had some delightful farewell moments at the Hampstead Heath gig on 26 June and at the end of term concert. Our thanks to her for bringing YMM to such a level of success as it enters its 50th year.

The 3 work streams of moving school premises, appointing a new Director and running YMM as normal meant that this year was largely inward looking. That, coupled with a number of significant one-off payments in connection with the move, was accompanied by a drop in pupil and student numbers and to a planned but nonetheless continuing deficit. We continue however to retain an adequate reserve fund. Moreover plans were being formulated for exciting new initiatives to build up student and pupil numbers.

The trustees decided, on external accounting advice, to apply for registration for Gift Aid with HMRC though the detailed work on the project was not due to start until after the current year end.

In her final Newsletter of Summer 2016 Sally had the following words of farewell:

"After 16 years of holding on to the tiller of this great ship I have decided to hand it over and change my own direction. I will be leaving at the end of this term.

Over the years I have had the privilege of working with many exceptional teachers, of forming relationships with great people and most of all to witness the development of children from young un-formed things, through the trials of adolescence and into young adulthood, some of them even returning to teach the next generation.

YMM is a very special and unique community. Music is at the core of course, but group participation, confidence building, understanding your part in a team, are all life lessons that young people take with them. YMM is a very special and unique community.

I feel very lucky to have been involved with YMM and deeply proud of what it has become.

As to my own future I have several hazy plans. I am excited at the prospect of trying new things and, hopefully, some extensive travel.

The trustees, Daisy and I took great care in selecting my successor and I have great confidence in handing my role over to Becky McChrystal. She is a professional percussionist with a great deal of teaching experience. She is already well known by several of our teachers and most importantly is a very bright, warm and approachable young woman.

YMM has been a very important part of my life and there are hundreds of people who I could mention and thank for the parts they have played.

My love and thanks to you all – Sally”

We thank Sally for everything she has done and look forward to welcoming her to future concerts.

### **Highlights of the Autumn Term 2015**

Cafe Concerts continued to be very popular and many exam passes were also celebrated (ABRSM and Trinity Guildhall boards). November saw two wonderful chamber concerts: The Vocal Concert featured four YMM choirs, several solo performers and a guest appearance from the Yerbury Community Choir. The Recorder and Guitar Concert showcased all acoustic guitar and recorder ensembles, as well as many soloists. In December we had our Christmas end of term concert in the school hall, which as usual was a packed event. The joyous and uplifting performances drew great praise all round. As ever these events happen only with the hard work and dedication of the teaching staff, and of the group of young support staff who work with Sally and Daisy.

### **Highlights of the Spring Term 2016**

In the midst of great change, two superb concerts took place in March. Big Band and Junior Jazz performed sets at St Stephens, Rosslyn Hill alongside the specially created Jazz Ensemble, which featured senior jazz soloists accompanied by the Big Band rhythm section, and directed by Simon Da Silva. The Spring Concert on the last evening of term was our first formal event in the La Sainte Union hall, and all groups performed wonderfully to a packed audience.

### **Highlights of the Summer Term 2016**

This term saw two major concerts, two chamber concerts for pianists and senior soloists, a Kentish Town Festival parade performance, and a special workshop with all-female jazz group, Nerija to celebrate International Jazz Day. Undoubtedly the major external event of the year was the Parliament Hill bandstand gig, superbly organised by Daisy and Sally. The YMM Big Band, Junior Jazz and Guitar Groups 1 and 2 played to a large crowd as part of the City of London summer music programme on Hampstead Heath. We were lucky to have a hot sunny June Sunday afternoon and it was a memorable time for performers and audience. The final Saturday of term saw the end of term concert, a fitting finale to a fabulous, rich and rewarding year for all those involved. It was well attended as always, and both Daisy and Sally were presented with a bouquet of flowers by the Chair.

## Final Note

YMM does not enter students for grade examinations: this is done by students or their parents in consultation with our teachers but YMM gives all possible support. The tremendous results achieved throughout the year provide an important external benchmark for the school's performance. All students receive an end of year report.

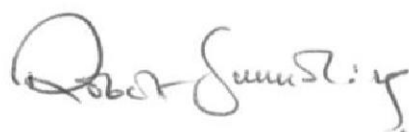
We express our thanks to Sally Evans, Daisy Coole, Becky McChrystal, the music teachers, and the behind the scenes young helpers for their hard work, enthusiasm and commitment to YMM in the year. YMM provides an ever greater and changing variety of performance events and classes. We are delighted that so many children (and adults) are enjoying YMM facilities.

## Financial review.

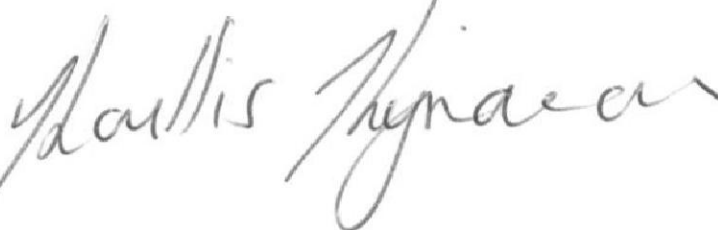
The current invested reserves are applied only for the benefit of the students. They are sufficient in our view to enable us to continue to organise the range of special events which enable YMM students to gain experience and also to support our teaching staff.

It is anticipated that with recruitment drives, outreach programmes, local media articles, advertisements on local sites and general leafleting we will raise the student numbers to an ideal figure of 320. The trustees aim to show continuing careful financial management supported by an adequate reserve fund.

Robert Sumerling  
Chair



Koullis Kyriacou  
Treasurer



23 November 2016



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

I report on the accounts of the company for the year ended 31 July 2016, which are set out on pages 8 to 12

**Respective Responsibilities of trustees and examiner**

The Trustees (who are also the Directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees 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 needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 Direction 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 Trustees 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.

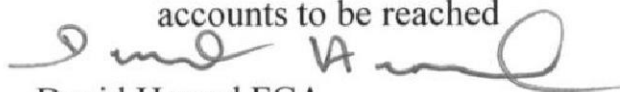
**Independent Examiner's Statement**

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 in accordance with Section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting 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



David Harrod FCA  
Harrod Neilson & Company  
14 Woodstock Road  
Bushey Heath  
Herts WD23 1PH

3 January 2017

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2016**

	Notes	<u>2016</u>	<u>2015</u>
<b>Income and Expenditure</b>			
<b>Incoming resources</b>			
Activities in furtherance of the charity's Objects			
Pupil fees and levies		156,041	161,168
Sale of concert tickets		1,934	2,131
Interest received		<u>137</u>	<u>145</u>
<b>Total incoming resources</b>		<u>158,112</u>	<u>163,444</u>
<b>Resources expended</b>			
Charitable expenditure			
Activities in furtherance of the charity's Objects	2	149,423	149,059
Management and administration	2	<u>18,937</u>	<u>17,972</u>
<b>Total resources expended</b>	2	<u>168,360</u>	<u>167,031</u>
<b>Net Deficit for the year</b>		(10,248)	(3,587)
Funds brought forward at 1 August 2015		<u>42,170</u>	<u>45,757</u>
<b>Funds carried forward at 31 July 2016</b>		<u><b>£31,922</b></u>	<u><b>£42,170</b></u>

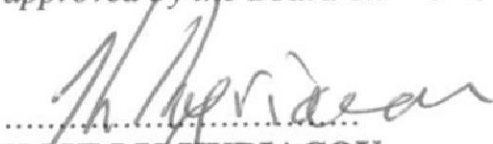
The notes on pages 10 to 11 form part of these accounts.

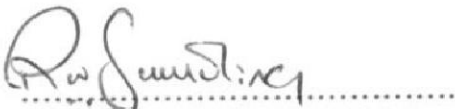
BALANCE SHEET AT 31 JULY 2016

	<u>NOTE</u>	2016	2015
		£	£
<b>Fixed Assets</b>			
Tangible fixed assets	4	33	44
<b>Current Assets</b>			
Debtors		388	300
Cash at bank and in-hand		<u>33,570</u>	<u>43,638</u>
		33,958	43,938
<b>Creditors: Amounts falling due within one year</b>			
Sundry Creditors & Accruals		<u>2,069</u>	<u>1,812</u>
<b>Net Current Assets</b>		<u>31,889</u>	<u>42,126</u>
<b>Total Assets less Current Liabilities</b>		<u><b>£31,922</b></u>	<u><b>£42,170</b></u>
<b>Funds</b>			
Unrestricted		<u><b>£31,922</b></u>	<u><b>£42,170</b></u>

In the opinion of the directors, the company is entitled to the exemption under Section 477 of the Companies Act 2006. The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006 and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 July 2016 and of its profit or loss for the financial year in accordance with the requirements of Section 396 of the Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved by the Board on 15 Dec. 2016 and signed on its behalf.

  
.....  
**KOULLIS KYRIACOU**  
**TREASURER**

  
.....  
**ROBERT SUMERLING**  
**CHAIR**

The Notes on pages 10 to 11 form part of these accounts.

## **1. ACCOUNTING POLICIES**

### **Accounting basis and standards**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective 2015) and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), the Companies Act 2006 and applicable accounting standards.

### **Income**

Pupil fees and levies are recognised in the Statement of Financial Activities in the period to which they relate.

### **Expenditure**

Expenditure is allocated directly to either Direct Charitable Expenditure or Management and Administration wherever possible. Common costs are allocated on a basis which seems reasonable in accordance with the nature of the expense.

### **Direct Charitable Expenditure**

Direct charitable expenditure represents expenditure directly on the organisation's charitable objectives of furthering childrens' musical education.

### **Management and Administration**

Management and administration costs relate to the costs of complying with legal obligations or administering the organisation and dealing with financial matters.

### **Depreciation**

Fixed Assets acquired for the use of the charity are depreciated at rates calculated to write off their costs over the estimated useful lives. The rates applied are:

Office equipment	25% on written down value
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Musical Instruments are written off to Income and Expenditure Account in the year of purchase.

### **Fund Accounting**

Unrestricted funds represent those monies available for use on the charity's objectives.

Designated funds are amounts of those unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

## 2. TOTAL RESOURCES EXPENDED

	Tutors' Fees £	Depreciation £	Other Costs £	Total 2016 £	Total 2015 £
Direct charitable expenditure	109,328	-	40,095	149,423	149,059
Management and administration of the charity	-	11	18,926	18,937	17,972
	<u>£109,328</u>	<u>£11</u>	<u>£59,021</u>	<u>£168,360</u>	<u>£167,031</u>

Other costs include rent of school premises on Saturdays of £16,520 (2015 - £16,537) and Independent Examiner's fees of £1,530 (2015 £1,500).

## 3. TRUSTEES

Payments totalling £400 (2015 - £818) were made during the year to one of the trustees in connection with the maintenance of the Young Music Makers website.

No other trustees received any remuneration or reimbursement of expenses incurred in the course of duties as trustees (2014- £Nil). The children of trustees attend classes on the same terms as all other children.

## 4. TANGIBLE FIXED ASSETS

	Office Equipment £
<b>Cost</b>	
At 1 <sup>st</sup> August 2015	1,948
Additions	<u>-</u>
At 31 <sup>st</sup> July 2016	<u>£1,948</u>
<b>Depreciation</b>	
At 1 <sup>st</sup> August 2015	1,904
Charge for the year	<u>11</u>
At 31 <sup>st</sup> July 2016	<u>£1,915</u>
<b>Net Book Value</b>	
At 31 <sup>st</sup> July 2016	£ <u>33</u>
At 31 <sup>st</sup> July 2015	£ <u>44</u>



				2015
	Direct Charitable £	Management & Administration £	Total £	Total £
Tutors' fees	109,328	-	109,328	111,824
Printing, Postage & Stationery	208	207	415	372
Rent	16,520	-	16,520	16,537
Telephone	400	399	799	899
Insurance	1,622	-	1,622	1,576
Administration Fees	16,157	16,156	32,313	30,357
Independent Examiners Fees	-	1,530	1,530	1,500
Concert expenses	759	-	759	966
Website	778	-	778	897
Musical Instruments	739	-	739	801
Moving Costs	2,278	-	2,278	-
Sundry Expenses	634	634	1,268	1,288
Depreciation	-	11	11	14
	<hr/>	<hr/>	<hr/>	<hr/>
	£149,423	£18,937	£168,360	£167,031
	=====	=====	=====	=====