

THE NORTH LONDON CONSERVATOIRE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

LANDAU BAKER LIMITED
Chartered Accountants & Statutory Auditors
Mountcliff House
154 Brent Street
London
NW4 2DR

THE NORTH LONDON CONSERVATOIRE

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 5
Independent auditors' report	6 - 8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 19

THE NORTH LONDON CONSERVATOIRE

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018

Trustees

Mr P West
Ms S Cox
Mr A G M Brindley

Charity registered number

1161732

Principal office

76 St James Lane, London, N10 3RD

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

THE NORTH LONDON CONSERVATOIRE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 September 2017 to 31 August 2018.

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

Objectives and Activities

a. POLICIES AND OBJECTIVES

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

b. STRATEGIES AND ACTIVITIES FOR ACHIEVING OBJECTIVES

The charity provided weekly music education for children and teenagers; staged concerts and a music festival in the local community; ran workshops for children and teenagers and adults; did one residential course for string players; prepared children for external exam entry and successfully prepared three candidates for successful entry to the Royal Academy of Music and the Trinity Laban Conservatoire undergraduate programmes. It ran chamber music courses for children and also music appreciation classes. It provided bursaries and scholarships for over 60 children to enable them to begin or continue music education to a value of £25,471.

Over the academic year, numbers taking kindergarten tuition increased from 395 to 517 over the year, including at the new Hendon Middlesex University Saturday Centre. The total waiting at all venues for a place was variable, ending on roughly 69 children. The incremental changes made to the schedules to accommodate parents who were stopping bringing their children because of free nursery places were increased slightly. Instrumental numbers remained largely stable throughout the year (the desired outcome, with no plan to increase the number other than annually from the kindergarten). Best practice within the profession continued to be promoted by encouraging visitors and presenting seminars to interested parties including parents and teachers and full-time music students at universities and conservatoires. In Spring, a placement was given assisting in the music kindergarten to a student on the BMus course at Middlesex University for one term as part of her undergraduate degree experience. The building of collaboration between the University and the NLC is felt to have very positive long-term benefits for the wider community and further projects are being considered. The charity successfully provided a free week of music tuition ("music week") to a local primary school that had little or no music provision and this was extremely well received. The financial position remained strong throughout.

c. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

During the period the charity concentrated on developing its operations and continued its focus on several key areas: the Middlesex University venue, which expanded its classes; on continuing to monitor the new kindergarten strategy (which has shown good results); on continuing to provide free-of-charge music weeks for local schools with little or no music provision and continuing to liaise with the local authority music hub to ensure this project reaches the children most in need. The Vauxhall project invitation was put on hold because of a change of personnel at the venue concerned. The NLC is still anticipating that the project will go ahead in the future.

Achievements and performance

a. KEY FINANCIAL PERFORMANCE INDICATORS

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

obligations.

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

b. REVIEW OF ACTIVITIES

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

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

Total incoming resources in the period were £1,230,231 (2017: £1,199,440). The net deficit in the period totalled £16,044 (2017: £3,185).

c. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

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

Financial review

a. GOING CONCERN

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

b. PRINCIPAL FUNDING

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

c. MATERIAL INVESTMENTS POLICY

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

Structure, governance and management

a. CONSTITUTION

The charity was incorporated on 19 May 2015 and commenced trading on that date.

The principal object of the charity is to provide musical education in accordance with the principals and practices as taught by Zoltan Kodaly.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

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

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

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

d. PAY POLICY FOR SENIOR STAFF

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

e. ORGANISATIONAL STRUCTURE AND DECISION MAKING

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

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

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

f. RISK MANAGEMENT

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

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

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

Plans for future periods

a. FUTURE DEVELOPMENTS

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

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

INFORMATION ON FUNDRAISING PRACTICES

No direct fundraising activities are undertaken by the charity.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

FUNDS HELD AS CUSTODIAN

No funds were held by a custodian trustee during the period.

TRUSTEES' RESPONSIBILITIES STATEMENT

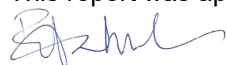
The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 16 May 2019 and signed on their behalf by:



Mr P West
Trustee

THE NORTH LONDON CONSERVATOIRE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NORTH LONDON CONSERVATOIRE

OPINION

We have audited the financial statements of The North London Conservatoire (the 'charity') for the year ended 31 August 2018 set out on pages 9 to 19. 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2018 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 Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

THE NORTH LONDON CONSERVATOIRE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NORTH LONDON CONSERVATOIRE

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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

THE NORTH LONDON CONSERVATOIRE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE NORTH LONDON CONSERVATOIRE

Landau Baker Limited

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: **16 May 2019**

Landau Baker Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE NORTH LONDON CONSERVATOIRE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:				
Charitable activities	2	1,230,231	1,230,231	1,199,425
Investments	3	-	-	65
TOTAL INCOME		1,230,231	1,230,231	1,199,490
EXPENDITURE ON:				
Charitable activities	6	1,243,090	1,243,090	1,196,343
TOTAL EXPENDITURE	7	1,243,090	1,243,090	1,196,343
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(12,859)	(12,859)	3,147
NET MOVEMENT IN FUNDS		(12,859)	(12,859)	3,147
RECONCILIATION OF FUNDS:				
Total funds brought forward		(3,185)	(3,185)	(6,332)
TOTAL FUNDS CARRIED FORWARD		(16,044)	(16,044)	(3,185)

The notes on pages 11 to 19 form part of these financial statements.

THE NORTH LONDON CONSERVATOIRE

**BALANCE SHEET
AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Intangible assets	10		208,000		312,000
Tangible assets	11		8,966		10,750
			<u>216,966</u>		<u>322,750</u>
CURRENT ASSETS					
Debtors	12	2,219		-	
Cash at bank and in hand		92,253		88,148	
		<u>94,472</u>		<u>88,148</u>	
CREDITORS: amounts falling due within one year	13		<u>(147,482)</u>		<u>(144,083)</u>
NET CURRENT LIABILITIES			<u>(53,010)</u>		<u>(55,935)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>163,956</u>		<u>266,815</u>
CREDITORS: amounts falling due after more than one year	14		<u>(180,000)</u>		<u>(270,000)</u>
NET LIABILITIES			<u><u>(16,044)</u></u>		<u><u>(3,185)</u></u>
CHARITY FUNDS					
Unrestricted funds	15		<u>(16,044)</u>		<u>(3,185)</u>
TOTAL DEFICIT			<u><u>(16,044)</u></u>		<u><u>(3,185)</u></u>

The financial statements were approved by the Trustees on 16 May 2019 and signed on their behalf, by:



Mr P West

The notes on pages 11 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The North London Conservatoire constitutes a public benefit entity as defined by FRS 102.

1.2 Income

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.3 Expenditure

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

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.4 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment

1.5 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

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

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Debtors

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Instrumental Teaching	1,024,379	1,024,379	976,866
Kindergarten	180,741	180,741	188,783
Sales of Materials	9,658	9,658	10,136
Other Income	15,453	15,453	23,640
	<u>1,230,231</u>	<u>1,230,231</u>	<u>1,199,425</u>
<i>Total 2017</i>	<u>1,199,425</u>	<u>1,199,425</u>	

THE NORTH LONDON CONSERVATOIRE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

3. INVESTMENT INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	-	-	65
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2017</i>	<u> 65</u>	<u> 65</u>	

4. DIRECT COSTS

	Direct Cost £	Total 2018 £	Total 2017 £
Teaching Fees	677,109	677,109	650,136
Rent of Halls	174,680	174,680	158,148
Materials	7,243	7,243	6,353
	<u> </u>	<u> </u>	<u> </u>
	859,032	859,032	814,637
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2017</i>	<u> 814,637</u>	<u> 814,637</u>	

5. SUPPORT COSTS

	Support Cost £	Total 2018 £	Total 2017 £
Advertising	3,874	3,874	6,017
Insurance	5,275	5,275	4,799
Materials	3,096	3,096	3,510
Travel & Subsistence	3,041	3,041	3,441
Telephone	1,205	1,205	1,267
Postage and Stationery	7,805	7,805	6,449
Bank Charges and Interest	5,344	5,344	5,238
Repairs & Maintenance	2,856	2,856	3,344
Bad Debts	36	36	2,245
Miscellaneous Expenses	7,317	7,317	11,880
Amortisation	104,000	104,000	104,000
Wages and salaries	191,468	191,468	192,212
National insurance	33,806	33,806	26,832
Pension cost	3,773	3,773	1,597
Depreciation	6,572	6,572	5,375
	<u> </u>	<u> </u>	<u> </u>
	379,468	379,468	378,206
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2017</i>	<u> 378,206</u>	<u> 378,206</u>	

THE NORTH LONDON CONSERVATOIRE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

5. SUPPORT COSTS (continued)

6. GOVERNANCE COSTS

	Unrestricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Accountancy and audit fees	4,590	4,590	<i>3,500</i>
	<u>4,590</u>	<u>4,590</u>	<u>3,500</u>

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £	<i>Total 2017 £</i>
Educational activities	229,047	6,572	1,002,881	1,238,500	<i>1,192,843</i>
Expenditure on governance	-	-	4,590	4,590	<i>3,500</i>
	<u>229,047</u>	<u>6,572</u>	<u>1,007,471</u>	<u>1,243,090</u>	<u>1,196,343</u>
<i>Total 2017</i>	<u>220,641</u>	<u>5,375</u>	<u>970,327</u>	<u>1,196,343</u>	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	<i>2017 £</i>
Depreciation of tangible fixed assets:		
- owned by the charity	6,572	<i>5,375</i>
Amortisation of intangible fixed assets	104,000	<i>104,000</i>
	<u>104,000</u>	<u>104,000</u>

During the year, no Trustees received any remuneration (2017 - £NIL).
 During the year, no Trustees received any benefits in kind (2017 - £NIL).
 During the period, Trustees received £nil (2017: £nil) in reimbursement of expenses.

THE NORTH LONDON CONSERVATOIRE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	191,468	192,212
Social security costs	33,806	26,832
Other pension costs	3,773	1,597
	<u>229,047</u>	<u>220,641</u>

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

2018 No.	2017 No.
6	6

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

10. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 September 2017 and 31 August 2018	<u>520,000</u>
Amortisation	
At 1 September 2017	208,000
Charge for the year	104,000
At 31 August 2018	<u>312,000</u>
Carrying amount	
At 31 August 2018	<u>208,000</u>
<i>At 31 August 2017</i>	<u>312,000</u>

THE NORTH LONDON CONSERVATOIRE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

11. TANGIBLE FIXED ASSETS

	Musical Instruments £	Computer equipment £	Total £
Cost			
At 1 September 2017	21,500	-	21,500
Additions	-	4,788	4,788
At 31 August 2018	<u>21,500</u>	<u>4,788</u>	<u>26,288</u>
Depreciation			
At 1 September 2017	10,750	-	10,750
Charge for the year	5,375	1,197	6,572
At 31 August 2018	<u>16,125</u>	<u>1,197</u>	<u>17,322</u>
Net book value			
At 31 August 2018	<u>5,375</u>	<u>3,591</u>	<u>8,966</u>
At 31 August 2017	<u>10,750</u>	-	<u>10,750</u>

12. DEBTORS

	2018 £	2017 £
Trade debtors	<u>2,219</u>	-

13. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Deposits held	29,778	32,340
Trade creditors	2,194	873
Other taxation and social security	5,204	6,870
Loan	90,000	90,000
Accruals and deferred income	20,306	14,000
	<u>147,482</u>	<u>144,083</u>

14. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Loan	<u>180,000</u>	<u>270,000</u>

THE NORTH LONDON CONSERVATOIRE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Balance at 31 August 2017 £
General funds	(6,332)	1,199,490	(1,196,343)	(3,185)
Total of funds	(6,332)	1,199,490	(1,196,343)	(3,185)

SUMMARY OF FUNDS - CURRENT YEAR

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

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Balance at 31 August 2017 £
General funds	(6,332)	1,199,490	(1,196,343)	(3,185)

THE NORTH LONDON CONSERVATOIRE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

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

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Intangible fixed assets	312,000	312,000
Tangible fixed assets	10,750	10,750
Current assets	88,148	88,148
Creditors due within one year	(144,083)	(144,083)
Creditors due in more than one year	(270,000)	(270,000)
	<u>(3,185)</u>	<u>(3,185)</u>