

**THE DACAPO MUSIC FOUNDATION LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

**Registered Charity No: 1136051
Registered Company No: 06698862 (England and Wales)**

THE DACAPO MUSIC FOUNDATION LIMITED

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THE DACAPO MUSIC FOUNDATION LIMITED

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

Charity registration number	1136051
Company registration number	06698862
Principal	Jane Cutler
CEO	Michelle Groves
Trustees	Andrew James Flemming Appointed 15th January 2019 Monica Ann Healy Saskia Agnes Guido Janssens Stephen Everett Kenzie Mary Veronica Kuhn Appointed 15th September 2018 Resigned 4th April 2019 Stuart Lester Resigned 15th September 2018 David Andrew Revels Appointed 15th January 2019
Secretary	Andrew James Flemming Appointed 15th January 2019
Key Management Personnel	Jane Cutler Michelle Groves
Registered Office	c/o Wren Academy Hilton Avenue North Finchley London N12 9HB
Accountant	Martin Hardie BA, FCA Apex Professional Services 88 Cranley Gardens London N10 3AH
Independent Examiner	N Curd FCCA N. Russell & Co Limited Chartered Certified Accounts Baywood 4 Brittain's Lane Sevenoaks Kent TN13 2ND
Bankers	National Westminster Bank Plc 120 High Street Barnet Hertfordshire EN5 5FF
Solicitors	Victoria Barrett MA, LLB VLT Legal Crendon Cottage Chapel Hill Speen Buckinghamshire HP27 0SL

THE DACAPO MUSIC FOUNDATION LIMITED

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their report and examined financial statements of the charity for the year ended 31 August 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014, as amended by Bulletin 1.

Objectives and activities

The objects are to advance the DaCapo approach to music education and appreciation for children and adults in the United Kingdom. This will be achieved through family music centres, in school and out of school workshops and projects and also through a comprehensive teacher training programme.

Public benefit statement

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

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Achievements and Performance

It has taken two years to bounce back, in numbers of attendees and revenue, following the move of the Saturday Music Centre across North London to Wren Academy in 2017. Project work also took a downturn in the short term but that is also building up again. Things have improved and our work at Wren Academy has given us a growing number of Primary and Secondary students taking instrumental lessons.

There are regular opportunities for performance in schools and the Music Centre encourages students to progress and showcase their achievements. There are also new links with a local music festival, widening the possible sphere of involvement.

Risk factors

The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to them. The trustees continue to review and monitor the systems for managing the major strategic, business and operational risks which the charitable company faces.

Financial review

Overall, income exceeded costs and expenses by £15,778 (2018 £-12,165). Reserves carried forward to next financial year stand at £27,799.

Reserves policy

The charity has decided that it is prudent to carry a reserve of one-and-a-half months' expenditure which is currently approximately £33,730. Our reserves at 31 August 2019 amounted to £27,799 and we will endeavour to increase these during the current financial year to comply with the policy.

Plans for the future

DaCapo plan to build numbers at its Family Music Centre and on its teacher training courses. We hope to recruit a few new schools for our classroom music programme. We will also further develop our relationship with the Proms at St Jude's Music Festival, delivering top quality school workshops, projects and performances in local schools using especially commissioned music by our writer and composer in residence.

The Trustees, as a priority, are considering a number of initiatives to increase income and ensure running costs are covered.

THE DACAPO MUSIC FOUNDATION LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

Events after the reporting date

The trustees have considered the impact of the Covid-19 outbreak, which began 7 months after the year-end. There haven't been any cashflow or going concern issues identified at present, although the situation is being regularly monitored.

Structure, governance and management

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows

Andrew James Flemming	Appointed 15th January 2019	
Monica Ann Healy		
Saskia Agnes Guido Janssens		
Stephen Everett Kenzie		
Mary Veronica Kuhn	Appointed 15th September 2018	Resigned 4th April 2019
Stuart Lester	Resigned 15th September 2018	
David Andrew Revels	Appointed 15th January 2019	

The DaCapo Music Foundation Limited was incorporated as a company limited by guarantee and not having a share capital under the Companies Act 1985 on 16 September 2008. The DaCapo Music Foundation Limited is a registered charity, number 1136051, with effect from 21 May 2010 and is established under its Memorandum and Articles of Association.

The company has no share capital and the members of the board of trustees have no interest in its surplus or assets and receive no remuneration. No trustees have any contract or arrangement of a material nature with the charitable company during the period under review.

Appointment of trustees

Trustees have been recruited either through a direct approach from other Trustees or the Directors or by open advertisement. The current Trustees are experienced and cover a number of the vital skills of marketing, legal knowledge, business organisation and education.

Recruitment of trustees

Prospective trustees are recommended by existing trustees to join the board of trustees or advertisements are placed in the local press.

Key management personnel

The trustees consider the trustees, the treasurer and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee received remuneration in the year. The trustees approve the remuneration for the key management personnel.

THE DACAPO MUSIC FOUNDATION LIMITED

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

Trustees' responsibilities

The trustees (who are also directors of The DaCapo Music Foundation Limited for the purposes of company law) are responsible for preparing the Trustees' Annual 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 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 2015 (FRS 102);
- 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;
- 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.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

By Order of the Board
Date: 28 August 2020

Monica Ann Healy
Director & Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DACAPO MUSIC FOUNDATION LIMITED

I report to the trustees on my examination of the accounts of the company for the year ended 31 August 2019.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

N Curd FCCA
N. Russell & Co Limited
Baywood
4 Brittain's Lane
Sevenoaks
Kent
TN13 2ND

Date: 28 August 2020

THE DACAPO MUSIC FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted Funds £	Restricted Funds £	2019 Total £	Unrestricted Funds £	Restricted Funds £	2018 Total £
Income from:							
Donations and gifts	2	8,427	-	8,427	6,678	-	6,678
Charitable activities	3	277,189	-	277,189	253,723	-	253,723
Total income		285,616	-	285,616	260,401	-	260,401
Expenditure on:							
Charitable activities	4	269,838	-	269,838	272,566	-	272,566
Total expenditure		269,838	-	269,838	272,566	-	272,566
Net movement in funds		15,778	-	15,778	(12,165)	-	(12,165)
Reconciliation of funds:							
Total funds brought forward		12,021	-	12,021	24,186	-	24,186
Total funds carried forward		27,799	-	27,799	12,021	-	12,021

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

THE DACAPO MUSIC FOUNDATION LIMITED

BALANCE SHEET AS AT 31 AUGUST 2019

	Note	2019 £	£	2018 £	£
Fixed assets:					
Tangible assets	9		21,559		18,916
Current assets:					
Debtors	10	27,578		12,931	
Cash at bank and in hand		416		3,147	
		<u>27,994</u>		<u>16,078</u>	
Liabilities:					
Creditors falling due within one year	11	<u>(21,754)</u>		<u>(22,973)</u>	
Net current (liabilities)/assets			6,240		(6,895)
NET ASSETS			<u>27,799</u>		<u>12,021</u>
The funds of the charity:					
Unrestricted Funds	12		<u>27,799</u>		<u>12,021</u>
TOTAL FUNDS			<u>27,799</u>		<u>12,021</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit 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 Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board of Trustees on 21 August 2020 and signed on its behalf by:

Monica Ann Healy
Director & Trustee

The notes on pages 8 to 13 form part of these financial statements

Company Number: 06698862

THE DACAPO MUSIC FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

1.1 Basis of accounting

The DaCapo Music Foundation Ltd is a registered charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities is to advance the DaCapo approach to music education and appreciation for children and adults in the United Kingdom.

The charity constitutes a public benefit entity as defined by FRS 102. 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 as amended by Bulletin 1 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from charitable activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

1.3 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

THE DACAPO MUSIC FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (continued)

1.4 Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

The basis on which support costs have been allocated and the analysis of these costs is included in note 5.

1.5 Funds

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value, of each asset on a systematic basis over its expected useful life, as follows:

Fixtures and fittings	25% reducing balance
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Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

1.7 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.8 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.9 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

THE DACAPO MUSIC FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (continued)

1.10 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

i. Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

1.11 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Income from donations	2019	2018
	£	£
Donations and gifts	8,427	6,678
	<u>8,427</u>	<u>6,678</u>

The charity benefits from the involvement and support of volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3 Income from charitable activities	2019	2018
	£	£
Music centre	133,023	137,070
Schools programmes	127,350	108,906
Projects	10,581	4,838
Accreditation	6,235	2,909
	<u>277,189</u>	<u>253,723</u>

4 Expenditure on charitable activities			2019			2018
	Direct costs	Support and Governance Costs	Total	Direct costs	Support and Governance Costs	Total
	£	£	£	£	£	£
Music centre	109,322	33,806	143,127	109,659	41,651	151,310
Schools programmes	82,843	25,618	108,461	73,766	28,019	101,785
Projects	13,095	4,049	17,144	10,650	4,045	14,695
Other	845	261	1,106	3,461	1,315	4,776
	<u>206,104</u>	<u>63,734</u>	<u>269,838</u>	<u>197,536</u>	<u>75,030</u>	<u>272,566</u>

THE DACAPO MUSIC FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2019

5 Allocation of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the activities undertaken during the year. The support costs and governance costs are allocated pro-rata to direct expenditure.

	2019	2018
	Total	Total
	£	£
Staff costs		
Wages	20,009	25,599
Pensions	540	305
Training	-	120
Temporary staff and recruitment	384	6,559
Meetings, entertaining, canteen	3,269	1,883
Travel and subsistence	1,511	2,102
Motor expenses	3,521	3,188
Premises costs		
Rent	7,775	9,448
General administrative expenses		
Telephone and fax	2,439	2,610
Postage	205	166
Stationery and printing	1,428	2,616
Donations	110	90
Subscriptions	1,070	290
Bank charges and interest	1,202	1,011
Insurance	1,622	1,545
Repairs and maintenance	1,600	2,005
Depreciation	5,183	4,699
Sundry expenses	830	1,265
	<u>52,698</u>	<u>65,501</u>

6 Governance costs

	2019	2018
	£	£
Accountancy fees	1,200	390
Advertising and PR	8,270	8,651
Other legal and professional fees	1,566	488
	<u>11,036</u>	<u>9,529</u>

7 Staff costs and employee benefits

The average number of employees during the year was 3 (2018: 3).

There are no employees with emoluments above £60,000 (2018: None).

The total staff costs and employees benefit's was as follows

	2019	2018
	£	£
Gross wages	20,009	25,599
Employer's pension contributions	540	305
	<u>20,549</u>	<u>25,904</u>

THE DACAPO MUSIC FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2019

8 Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2018: £Nil).

The total amount of remuneration received by the two staff who are the key management personnel is £nil (2018: £11,475). The Trust considers its key management personnel comprise the Principal and CEO.

During the year, no trustees received reimbursement of expenditure incurred on behalf of the charitable company (2018: none).

9 Tangible Assets

	Office fixtures and fittings £	Total £
Cost		
As at 1 September 2018	41,366	41,366
Additions	7,826	7,826
At 31 August 2019	<u>49,192</u>	<u>49,192</u>
Depreciation		
As at 1 September 2018	22,450	22,450
Charge for the year	5,183	5,183
At 31 August 2019	<u>27,633</u>	<u>27,633</u>
Net book values		
At 31 August 2019	<u>21,559</u>	<u>21,559</u>
At 31 August 2018	<u>18,916</u>	<u>18,916</u>

10 Debtors

	2019 £	2018 £
Trade debtors	20,720	8,112
Other debtors	6,858	4,819
	<u>27,578</u>	<u>12,931</u>

11 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	11,138	7,944
Other taxes and social security	8	1,181
Other creditors	10,608	13,848
	<u>21,754</u>	<u>22,973</u>

THE DACAPO MUSIC FOUNDATION LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019

12 Fund reconciliation

Unrestricted funds 2018

	As at 1 September 2017	Income	Expenditure	Transfers	As at 31 August 2018
	£	£	£	£	£
Unrestricted	24,186	260,401	(272,566)	-	12,021
	<u>24,186</u>	<u>260,401</u>	<u>(272,566)</u>	<u>-</u>	<u>12,021</u>

Unrestricted funds 2019

	As at 1 September 2018	Income	Expenditure	Transfers	As at 31 August 2019
	£	£	£	£	£
Unrestricted	12,021	285,616	(269,838)	-	27,799
	<u>12,021</u>	<u>285,616</u>	<u>(269,838)</u>	<u>-</u>	<u>27,799</u>

Fund descriptions

(a) Unrestricted funds

This represents the general funds which can be used in accordance with the charitable objects at the discretion of the trustees.

13 Analysis of net assets between funds

2018

	Tangible fixed assets	Net current liabilities	2018 Total
	£	£	£
Unrestricted funds	18,916	(6,895)	12,021
	<u>18,916</u>	<u>(6,895)</u>	<u>12,021</u>

2019

	Tangible fixed assets	Net current liabilities	2019 Total
	£	£	£
Unrestricted funds	21,559	6,240	27,799
	<u>21,559</u>	<u>6,240</u>	<u>27,799</u>

14 Related party transactions

During the year the charitable company entered into the following transactions with related parties or trustees.

	2019 £	2018 £
Amounts owed to related parties	2,000	10,916
Amounts owed by related parties	4,412	3,475