

Charity Registration No. 1004122

Company Registration No. 02590621 (England and Wales)

# **MERTON MUSIC FOUNDATION**

**Annual report and financial statements**

**For the year ended 31 August 2020**

# MERTON MUSIC FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Michael Collins Edward Hickman Rowena Maybury Ian Bond Stephen Moran Sandra Vogel Emma Trevelyan Nicky Morgan	(Appointed 23 September 2019)
<b>Charity number</b>	1004122	
<b>Company number</b>	02590621	
<b>Registered office</b>	c/o Merton Abbey School High Path London SW19 2JY	
<b>Auditor</b>	WSM Advisors Limited Connect House 133-137 Alexandra Road Wimbledon London SW19 7JY	

---

# MERTON MUSIC FOUNDATION

## CONTENTS

---

	<b>Page</b>
Chairman's statement	1 - 2
Trustees' report	3 - 14
Statement of trustees' responsibilities	15
Independent auditor's report	16 - 18
Statement of financial activities	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22 - 33

---

# MERTON MUSIC FOUNDATION

## CHAIRMAN'S STATEMENT

For the year ended 31 August 2020

---

### Chair's Introduction

The Covid 19 lockdown in mid-March meant that the organisation was faced with the challenge of adapting all its existing ways of working. Showing the kind of determination that my fellow Trustees have come to expect from all of the team, MMF transformed how it operated into an online service almost overnight and continued to fulfil its remit in providing outstanding musical experiences for local young people, through its Hub 'core' and 'extension' roles.

Team Merton Music Foundation (MMF hereafter) launched an online tuition service via Zoom within two weeks with safeguarding and risk assessment protocols in place. The tutor workforce of 65 were supported with workshops and training to develop confidence and new skills to teach in a new way. The MMF team embraced this new style of working and core staff IT/digital skills were quickly enhanced. This was followed by an online Music Centre with 145 members launched in the summer term with a more diverse offer and extra activities. Take up of lessons was 50% of the previous term (a significant reduction of income) and Music Centre continuation was c.60%.

We were acutely aware of the cohort of pupils who were difficult to reach because of vulnerability and family circumstances, who had cheaper group lessons that were too difficult for MMF to facilitate online. This was the impetus for our 'Don't Stop the Music' fundraising campaign which raised an impressive £10k enabling a group of 'Merton Scholars' to continue tuition for September 2020. This also enabled MMF to start building an alumni data base and develop a fundraising strategy. This was MMF's first major online fundraising initiative, and we were delighted with the response and generosity of donors.

Friends of Merton's Young Musician (FMYM hereafter) (parents association) continued to support and fundraise for MMF and widely promoted this fundraising campaign and we remain grateful for their ongoing enthusiasm and commitment.

Since September 2019 our CEO has also been managing Kingston Music Service on a two day per week contract. This has increased workload for the rest of the senior team, but has enabled MMF to generate significant income from the placement and to bring a wider perspective of a LA music hub to MMF and to consider areas where activity could be shared and developed.

Although the pandemic dominated the latter part of the financial year, the first six months saw a growth in activity with some notable achievements. MMF is at the forefront of cultural activity across the borough. We work closely with outstanding local arts providers and practitioners - New Wimbledon Theatre, Polka Theatre, Wimbledon International Music Festival, Crown Lane Studio -and extensively with local charitable and amateur music-making groups. We work together to provide high quality arts experiences, to avoid duplication and to meet and respond to local need. Our last community-based project with Wimbledon Community Theatre Trust, performed at New Wimbledon Theatre in February 2020, reached an audience of 4,500.

MMF also had the highest number of pupils taking tuition in February 2020 (1485) and had been successful in grant applications including over £50k towards our Royal Albert Hall's (RAH hereafter) 30th birthday celebration at the RAH in March 21 which sadly was unable to go ahead. Further successful applications brought in excess of £30k and we have been grateful to all the various grant awarding bodies who have worked with us to modify the original bids and enable us to re-imagine and re-work the original ideas.

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

The aspirations of the National Plan for Music Education underpin MMF's vision for the local offer in Merton.

We were supported by schools during the summer term so that our In2Music income (£129,531 from 36 projects) for the period was retained, enabling us to pay the In2music teaching staff employed during the summer term.

A senior member of the finance team retired in March and was not replaced. Sadly, two members of staff have been made redundant in line with our prudent approach to keeping our resources and operational capacity aligned.

# **MERTON MUSIC FOUNDATION**

## **CHAIRMAN'S STATEMENT**

**For the year ended 31 August 2020**

---

The year has been a period of two halves – the first seeing MMF thrive and develop its offer, and the second a time when global challenges overtook the local situation and demanded brave leadership and decision making. My thanks to the leadership team, committed staff and tutors who managed to keep the music playing despite the most challenging and unique circumstances thrown up by the pandemic.

I would also like to thank all the schools and parents who continue to place their trust in MMF to support their children along their individual and collective musical journeys. Finally, I would like to thank my fellow Trustees for all of their input and help in reaching difficult decisions over these last 12 months.

What follows in this report provides the detail and the background to our achievements in 2019-20.

**Edward Hickman**

Chairman

Dated: 21 October 2021

# MERTON MUSIC FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

For the year ended 31 August 2020

---

The Trustees present their report and financial statements for the year ended 31 August 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

### Charitable objective

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

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

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

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

### Music Education Hubs

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

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

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

#### Core Roles

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

#### Extension Roles

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

#### Working in partnership

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

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

Our partners during the 2019/20 financial year included Charanga, Crown Lane Studio, Merton Children, Schools and Families Department, Mayor's Music Fund, Merton Schools Forum, Orchestra of the Age of Enlightenment, Polka Theatre, Richard Mallet Arts Management, Wimbledon International Music Festival and Wimbledon Civic Theatre Trust. The charity is also an active member of the South West London Music Education Partnership, which consists of the music services of Croydon, Hounslow, Kingston, Merton, Richmond, Sutton and Wandsworth.

### Delivery

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

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

### Volunteers

We work closely with our parents' charity the Friends of Merton's Young Musicians (FMYM). The Friends meet regularly to administer the affairs of their charity, to arrange fundraising events to support the work of Merton Music Foundation, and to help with concerts and other events provided by our charity. Over the years, FMYM's fund raising has enabled us to buy instruments, purchase sheet music for our groups, provide coaching for events like Music *is* for Life and Music for Youth festivals, and support the provision of overseas tours for our senior Youth Music groups. FMYM successfully fundraised through a 'sponsor a piano key' campaign to raise £20k for the purchase of a new Yamaha grand piano and U3 upright piano for Music Centre and teaching use.

### Ensuring our work continues to deliver our charitable purpose

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

### Public Benefit

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

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

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

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

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

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

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

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

Financial assistance is not just limited to students of families who qualify for assistance from the 'Pupil Premium'. The Trustees recognise that students from families whose income is only a little above the level to qualify for 'Pupil Premium' but have to contend with the high cost of living in London, may also require support from MMF's Trust Fund and other funds and applications from such students are looked upon favourably.

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

The Trustees have therefore satisfied themselves that Merton Music Foundation meets the public benefit requirements and they confirm that they have taken due regard of the Charity Commission's general guidance on public benefit.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

### **Achievements and performance**

The following summary provides an overview of our achievements and performance against the National Plan for Music Education's Core and Extension Roles. The information is taken from our Annual Data Return to Arts Council England for the 2019/20 academic year.

### **CORE ROLES**

#### **1. First access**

MMF's First Access opportunities included a range of music making programmes for pupils from all phases this year, including provision for Special Schools. The new Senior Curriculum Leader reviewed and revised the In2music programme which has led to a greater uptake by schools.

In the first half of the year classes were delivered face to face but in the summer term all activity was online. Tutors worked creatively, liaising directly with their schools and with MMF support were able to present videos, create YouTube clips and in some cases appear by video link in classrooms. Some schools sent materials home for pupils to work on, but in many instances it was difficult for children to make progress as they did not have access to their instrument. Programmes were re-written to be more general musicianship based and therefore more inclusive to reflect this.

We continued to expand a wraparound first access model, to include general musicianship teaching and KS1 provision in response to local need. Schools have increasingly requested projects that go beyond traditional first access and 36 projects ran in 17 schools across the year. Further recruitment was necessary at the start of the year to meet increased demand. Ongoing staff training and support/ networking has helped to establish consistency of staffing and quality of teaching/learning.

With the support of Senior Leadership Team (SLT), tutors worked with over 2000 pupils from 17 Merton schools who benefitted from First Access instrumental programmes.

Schools bought into a full range of instruments - projects were delivered on djembe, mixed percussion, gamelan, samba, trumpet, clarinet, flute, recorder, violin and guitar.

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

Pupils at Cricket Green SEND School completed the seventh year of a Whole Class Ensemble Tuition ( WCET hereafter) type programme with the Orchestra of the Age of Enlightenment ( OAE hereafter) funded by Youth Music to run between 2013-20. The project had to be paused but will continue next year.

Larger primary schools continue to be offered the adapted 3-form entry primary school model. These last 45 minutes, enabling all three classes to have a lesson within a morning or afternoon period. Although adding more pressure on the tutor and MMF resources, this format does enable all pupils within a year group to take part in learning an instrument. These projects were all modified for the summer term.

### 2. Ensembles

Merton Youth Music programme provided a comprehensive range of 21 regular ensembles, instrumental and choral, from beginner to advanced level. Jazz and percussion provision have been further refined and developed (additional master classes and workshops) and with the appointment of a string specialist to the core team, MMF's string provision has been reviewed. COVID-19 has impacted on the excellent groundwork established so this developmental work will carry over into September 20. Merton Messengers (extension jazz group) has continued to become increasingly autonomous and booked gigs independently of MMF.

The new String Curriculum Leader works closely with London Music Masters. Senior Music Centre students are encouraged to become Mentors in Junior Bands. We had around 10 mentors, some of whom used the experience to support their Duke of Edinburgh award.

Young players from WCET projects are encouraged to take exams and join Music Centre as well as taking instrumental lessons.

Primary music co-ordinators continue to be supported (advice, repertoire, tutor time) to establish school-based ensembles for children to consolidate and develop skills. MMF is sometimes asked to lead these groups.

Regular newsletters to key groups/audiences, signposting local families with children learning with us to MMF activities and local arts activities.

The tutor workforce was kept informed of local, MMF and wider progression routes. One member of the MMF team works at the National Childrens Orchestra (NCO hereafter) and supports and encourages children and parents to make applications. Another tutor wrote and published a beginner piano book with a foreword by MMF.

Crown Lane Studio has continued to offer London Borough of Merton (LBM hereafter) pupils work experience placements and have been available to support local young people in accessing the recording industry.

Ongoing relationship with OAE and Special schools now in seventh year.

100 members of the Wimbledon Community Chorus received weekly rehearsals between September and July and gave 2 local public performances, including an outstanding performance of Mozart Requiem with Sonoro chamber choir and Wimbledon Symphony Orchestra and another with the Central Band of the Royal British Legion, involving a choir of ex-service veterans from STOLL (British Legion's Housing and Helping Veterans Organisation).

Continued development of an adult guitar ensemble, who performed with the youth ensembles at a joint MMF event for a local homeless charity.

Ongoing support of Wandle Band and Wimbledon Community Orchestra provides an instrumental pathway into adult learning. MMF has developed a range of tuition (percussion, piano, guitar) and club models for Harris Academy Morden. Students successfully passed ABRSM exams.

As part of our support of young people with additional needs, the MMF Chief Executive ( CE hereafter) supports tutors and teachers with advice, resources and signposting to further training.

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

Continued partnership and consultation with our parents' association, FMYM to fundraise, promote and support evaluation of MMF activities and routes for progression.

### 3. Progression

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

This year we have again continued to focus on strengthening these progression routes within our operations area. This has included:

- Annual review and development of our Merton Youth Music programme - comprehensive range of 21 regular ensembles, instrumental and choral, from beginner to advanced level.
- Offering remission of fees schemes to support parents on low incomes
- Further development of enhanced In2Music provision at St Teresa's catering for a complete year group. The children have enjoyed their learning and performance standards have been high. The school has pledged funding for three years.
- Developing new performance opportunities with Hub partners. It was thrilling to have 4,500 participants across 5 performances of Twist at New Wimbledon Theatre.
- Working with the special schools and the OAE to promote inclusive musicmaking activities for children with additional needs.
- Continued relationship with Wimbledon Community Chorus and signposting to local music groups such as Wandle Band and Wimbledon Community Orchestra to provide a pathway into adult learning.
- Supporting pupils to make applications to junior conservatoires and national youth ensembles including NYJO and the National Children's Orchestra, and help with post 18 applications to study music in the higher education sector.

### 4. Singing strategy

During the year, despite the difficulties presented by Covid 19, we worked with all Merton Primary schools to help develop, support and embed MMF's 'With One Voice' singing strategy, through a range of CPD, new resources (including use of Charanga and Sing Up) and a variety of modified performance opportunities. Many schools were nervous and reluctant to sing and we were able to share government guidance with schools with regard to 'safe' singing. Schools have created ingenious performance opportunities by video and online concerts for parents.

MMF's Programmes Director is directly responsible for the on-going development, management and much of the delivery of WOV. She holds three meetings a year for school-based Primary Music Coordinators, which always includes an element of singing CPD. Music Coordinators and Secondary Music Leaders across all primary, secondary and special schools are emailed regularly with updated information on recommended resources. This included opportunities for CPD ('in house' and through nationally recognised organisations like Sound Connections, Sing Up, ABCD and The Voices Foundation); performance projects and other aspects of professional practice (e.g. advice on how to start or develop a school choir; how to choose appropriate repertoire; how to teach part-work successfully). The Programmes Director and Senior Curriculum Leader have also given on-going informal advice to specific teachers on supporting singing and choral development.

Singing is an important element of the 'In2Music' WCET programme and delivery tutors were given help and resources to incorporate into their planning which was modified in the summer term.

Huge success with the Twist project, in partnership with WCTT and NWT. We brought together over 3,500 Primary aged children from 26 local schools to sing excerpts from the musical Oliver!, incorporated into an interactive performance of a specially commissioned script based on the Dickens novel.

# MERTON MUSIC FOUNDATION

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

### For the year ended 31 August 2020

---

There were 5 performances over 2 days, including an evening performance with an audience of 600. Merton Youth Concert Band opened the evening with a 45min set, after a curtain raiser by The MerTones percussion ensemble followed by the final performance of Twist. We would like to produce something similar at New Wimbledon Theatre ( NWT hereafter) in future – plans in place for January 2021 have had to be cancelled.

Monkey Boy – 60 KS2 pupils from Beecholme school received a series of 4 full day workshops with a group of Indian musicians, to compose music, dance and drama, culminating in a performance of Monkey Boy.

FAB – 60 Y5 pupils from Holy Trinity school engaged with senior students from Kings College School ( KCS hereafter), to learn about The Blues. The KCS boys acted as mentors and workshop leaders, supported by teaching staff from MMF and KCS. To conclude, they performed a set of songs and instrumental pieces to a packed hall at KCS's new theatre.

SingFest 2020 involved workshops and performances by 535 pupils from 13 schools. Schools were given free access to a range of original and specially arranged choral resources in the MMF Song pack, via the MMF website.

MMF had secured substantial external funding for 'We Are Family', a series of arts projects and choral commissions, beginning in the summer 2020 in preparation for celebrating MMF's 30th birthday, culminating in a massed performance at the Royal Albert Hall in March 2021. Sadly, these projects have been postponed and will need to be re-developed to reflect the many complexities of delivering both 'in-person' and online work to large groups of children (which we believe may persist for the remainder of 2020-21 and 2021-22). RAH performance is now booked for March 22.

'Sound Ideas', a comprehensive and progressive programme of study which places singing at the heart of early musical development continues to be available free of charge to all teachers in the borough (online in blog form, with planning, song material and audio clips). All primary schools are offered the online music resource 'Charanga' free of charge to support classroom learning.

## EXTENSION ROLES

### Continuous professional development (CPD)

#### 1.Schools

- A CPD meeting was held for Primary Music Coordinators in the Autumn term. 2 more meetings were delivered online in the early and late summer term, led by members of the SLT. The Programmes Director provided a regular flow of information and links to teaching resources throughout the summer term and members of SLT and Curriculum Leaders Team gave bespoke advice where needed.
- A meeting about the OFSTED 'Deep Dive' Inspection process was organised in the Autumn term and was very well attended (27 schools represented).
- SLA schools have received bespoke support, ranging from percussion workshops, advice on developing the curriculum (including through use of Charanga), progression, resources audit and model teaching.
- All Secondary school HODs were contacted for support and information sharing.
- SCL and PD gave informal ongoing advice to Music Coordinators through email/ telephone conversations (auditing resources, progression, curriculum planning, constructing composition projects, evaluation/ assessment).

#### 2.Tutor Workforce

- Curriculum Team offered ongoing informal advice/ guidance to tutor workforce. Intensive IT support was given at the start of the pandemic.
- Support provided to tutors leading/co-leading Merton Youth Music ensembles and extra time given for online preparation.
- Instrumental meetings were held regularly, formally and 'drop in' sessions to support the workforce.

#### 3. Instrument hire

A competitive instrument hire scheme was provided to support learning. Fewer instruments were hired out this year because of concerns around health and safety and access to our offices. Students eligible for Trust Fund support hired at no cost other than a termly administration fee of £15.

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

- Partnership with Allianz Insurance provided discounted cover for parents hiring through MMF and a percentage donation was made to MMF.

### 4. Large scale / High quality musical experiences

This included:

- Monkey Boy – 60 KS2 pupils from Beecholme received a series of 4 full day workshops with a group of Indian musicians, to compose music, dance and drama, culminating in a performance of Monkey Boy.
- FAB – 60 Y5 pupils from Holy Trinity school engaged with senior students from Kings College School, to learn about The Blues. The KCS boys acted as mentors and workshop leaders, supported by teaching staff from MMF and KCS. To conclude, they performed a set of songs and instrumental pieces to a packed hall at KCS's new theatre.
- Let Freedom Swing – 792 pupils and staff from 13 local schools attended an interactive performance given by members of Jazz at the Lincoln Center. This is the 2nd year of this exclusive partnership with JALC – Merton is the only music hub in the UK to be receiving this unique and highly valued programme. Sadly the group's 2nd follow-up visit, due in June, was cancelled, as have plans to return in 2020-21.
- Sound Construction – 180 KS2 pupils from 3 Primary schools used opera and other songs presented by the superb chamber choir Sonoro as a stimulus for artwork (painting and 3D model making), based on the theme of architecture and construction. This project was delivered in partnership with the Wimbledon International Music Festival. Plans to extend this very successful project have been delayed until Summer 2021.
- BeatFest, a new Samba project (funded by Youth Music), with access and inclusion at its heart, was largely postponed, although the Beat Awards were able to go ahead virtually. Delivery will now take place throughout 2020-21, though sadly without the planned performance at the RAH.
- Twist at New Wimbledon Theatre featured 4,500 participants.
- The continued restrictions on singing in the classroom (and in OOSS) has resulted in the cancellation or postponement of all choral events planned for the summer of 2020, including a summer term KS2 singing festival and a Playground Games project. All the singing activities planned as part of the We Are Family have been postponed until the summer 2021 at the earliest.
- OAE partnership concerts given and attended with Cricket Green school.

### 5. School music education plans

We supported all schools in the Borough as part of our School Music Education Plan which is built on MMF's current practice. All schools have been offered subsidised after school music clubs, and a half-day of MMF time for workshops, support or training. This has been well received and various schools booked 'bespoke' consultation time during the year and have negotiated after school provision.

- Developments have included the launching of an SLA with schools signing up for a package of services.
- Tailored NQT support for primary staff
- Further development of Crown Lane Percussion activities (every weekday and Saturdays)
- High take up of projects (some oversubscribed)
- Schools continue to book up for a range of 'In2Music' WCET programmes, with the one term and variable models proving more popular.

### Routes for Progression

- The low continuation rate after WCET and other free or heavily subsidised programmes has previously been a concern. This has been exacerbated by the pandemic with many families experiencing financial hardship. We will continue to look at innovative ways to support the transition to tuition for the current cohort but recognize that this is challenging.

### Ensembles

- MMF continues to provide a range of ensembles through its Youth Music Programme and has responded to parental and student survey feedback. Online activity has had some surprising benefits with many parents and tutors reporting that pupils have practiced more and made greater progress. Band leaders have worked tirelessly to make online rehearsals dynamic and enjoyable, but ensembles need to be 'live' to have musical life and energy.

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

### **Singing Strategy**

The 'With One Voice' singing strategy continued to be at the heart of Primary music provision, but we recognise that singing is a difficult area and look forward to the relaxing of the current rules, when safe to do so.

### **Partnership development**

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

### **To date this has included:**

- Continued partnership discussions with all local arts providers as we assess collectively what is possible, practical and safe.
- Continued contact with the wider musical community – other London hub colleagues and Music Mark.
- Ongoing positive relationships with LBM officers and Merton Head Teachers (e.g. through Schools Forum and Hub meetings), to ensure continued high quality support for curriculum music in schools, (e.g. through provision of CPD and Curriculum Leaders Team support).
- Closer partnership with the Southwest London Music Education Partnership, meeting more frequently and bidding for funds collectively.
- Continued partnership work with the Orchestra of the Age of Enlightenment
- Continued support of three community music making groups, Wimbledon Community Chorus and signposting to Wandle Band and Wimbledon Community Orchestra. Programmes Director conducts WCC and offers shared performance opportunities.
- Collaboration with the Mayor's office, to provide local performance opportunities.

### **Music technology in teaching and learning**

- Merton Music Foundation has long been an innovative leader in the use of technology to support music education. The pandemic intensified this development and IT skills became fundamental to our survival.
- We focused on developing our website as a means of communication with our multiple audiences.
- Core staff took on additional roles to support IT development including video editing, producing materials and creating online performances.
- Schools used Charanga extensively.
- All ensembles have been delivered online.
- Merton schools continue to embrace the use of technology, use of white boards and iPads.
- We wrote safeguarding protocols for online tuition and extensive risk assessments.

### **Plans for the future**

Our operational plans for the coming year are flexible and responsive. It is unclear how long restrictions will be imposed and what the long-term impact will be. We will liaise with ACE and other partners during 20/21 and follow Government advice. This will include further applications to Arts Council England's 'Grants for the Arts' Lottery funded programme to support music education projects and our projects for 20/21.

### **Other priorities include:**

- Reviewing job roles and employee skills to remodel the workforce, new job specifications will be introduced alongside a new appraisal/staff review process.
- Establishing a fundraising strategy and exploring new applications to new funders/supporters.
- Development of an alumni group
- Further development of the charity's Management Board with the formation of new sub groups to support the charity's new senior leadership team. (e.g. Fundraising, Appointments & Salaries Review, Audit and Risk Assessment).
- Development of the partnership relationship between Harris Academy Morden and MMF for mutual benefit.

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

- Confirmation that grant funding is in place from all our core funders for the 2020/21 financial year.
- Pledges are confirmed for all key partners wishing to work as part of the Charity's Music Education Hub programme during the 2019/20 financial year and onward to 2021.
- Review of the effectiveness of current partnership arrangements and to identify any new partners that could help support the next stage of MMF's hub development (2020-2022).
- Explore ways in which funding can be secured to deliver these new partnerships and start planning potential projects that could be delivered during this period.

### Financial review

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

#### Income

Income was £1,190,297 in comparison with £1,330,279 for 2019, a decrease of 10.5% on the previous year. This decrease in income was the direct result of the Covid-19 pandemic. This significantly affect MMF's activities for the summer term.

Voluntary income from Donations and Gift Aid was only £3,054 this financial year

The core Grant from Arts Council increased slightly to £254,173 from £253,761 received in the previous year.

Income from music tuition, music centre fees and other similar income streams, was significantly down by 11 % from £1,021,880 in 2019 to £910,039.

Investment income showed a return of only £31 on MMF's short-term deposits. This is due to interest rates, which have continued to remain very low during this financial period.

#### Expenditure

Total expenditure was £1,149,388 in 2020, 11% lower than the figure for 2019 of £1,300,491

Governance costs, as a percentage of total costs has continued to drop and represented 0.9 % of total costs in 2020.

#### Financial position at year end

Taking into account income and expenditure, the charity realised an operational surplus of £40,909 for the year (2019: a surplus of £29,788) before revaluations and investment asset disposals.

Total fund balances as at August 2020 were £209,244 (2019: £168,335). This consisted of £196,271 of unrestricted funds and restricted funds of £12,973.

Unrestricted funds continued to increase in this financial year. The increase this year was by 26% to the figure of £196,271 increasing the level of 'free' funds available and was in line with the charity's Reserves Policy.

Restricted funds did not change during the year ended 31st August 2020. These funds principally represented amounts held by MMF for particular restricted purposes within the objects of the charity and were primarily made up of funds transferred from the Ronald Greenwood Music. Trust funds received from the Federation of Music Services during 2010/11 for the purchase of musical instruments. Expenditure from the second fund had been capitalised within the accounts in prior years and is now reduced by depreciation associated with these capitalised assets. This is shown in note 15 of the Notes to the Financial Statements.

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

### Investment Policy

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

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

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

### Reserves Policy

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

### Surplus/Deficit

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

### Structure, governance and management

#### Governing document

Merton Music Foundation is a charitable company limited by guarantee, incorporated on 12 March 1991 and registered as a charity on 11 September 1991. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

Ian Newman (Resigned 23 September 2019)

Michael Collins

Edward Hickman

Rowena Maybury

Ian Bond

Stephen Moran

Sandra Vogel

Emma Trevelyan

Nicky Morgan (Appointed 23 September 2019)

# MERTON MUSIC FOUNDATION

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

For the year ended 31 August 2020

---

### **Appointment of trustees**

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

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

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

### **Trustee induction and training**

New trustee induction includes briefing them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction process, they meet key employees and the other trustees. All trustees are encouraged to attend appropriate external training events to develop their understanding of their roles as trustees. New trustees are also given relevant documentation including recent important documentation on music education, management financial reports, meeting minutes and copies of the charity's annual Reports and financial statements.

### **Related parties and co-operation with other organisations**

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

### **Organisation**

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

### **Risk management**

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

### **Health & safety and child protection**

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

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

# **MERTON MUSIC FOUNDATION**

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

**For the year ended 31 August 2020**

---

### **Auditor**

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

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

**Edward Hickman**

Trustee

Dated: 22 October 2021

# MERTON MUSIC FOUNDATION

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**For the year ended 31 August 2020**

---

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

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

# MERTON MUSIC FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF MERTON MUSIC FOUNDATION

---

#### **Opinion**

We have audited the financial statements of Merton Music Foundation (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

#### **The impact of macro-economic uncertainties on our audit**

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

Covid-19 is amongst the most significant economic events currently faced by the UK, and at the date of this report its effects are still having an impact on schools and teaching. Whilst MMF has adopted a blended style of learning, the impact of Covid 19 is still being felt as levels of Covid infections in schools are outpacing the government's vaccination programme. Accordingly, the uncertainties in relation to Covid-19 are still in existence in relation to education provision, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a charitable company associated with these particular events.

#### **Conclusions relating to going concern**

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

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

# MERTON MUSIC FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF MERTON MUSIC FOUNDATION

---

#### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

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

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

#### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities, the Trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

# **MERTON MUSIC FOUNDATION**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF MERTON MUSIC FOUNDATION**

---

#### **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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Wendy Patterson (Senior Statutory Auditor)**  
**for and on behalf of WSM Advisors Limited**

21 October 2021

**Chartered Accountants**  
**Statutory Auditor**

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

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

# MERTON MUSIC FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 August 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b><u>Income from:</u></b>					
Donations and legacies	3	3,054	-	3,054	26,235
Charitable activities	4	910,039	277,173	1,187,212	1,304,005
Investments	5	31	-	31	39
<b>Total income</b>		<b>913,124</b>	<b>277,173</b>	<b>1,190,297</b>	<b>1,330,279</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	6	1,149,388	-	1,149,388	1,300,491
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(236,264)</b>	<b>277,173</b>	<b>40,909</b>	<b>29,788</b>
Gross transfers between funds		277,173	(277,173)	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>40,909</b>	<b>-</b>	<b>40,909</b>	<b>29,788</b>
Fund balances at 1 September 2019		155,362	12,973	168,335	138,547
<b>Fund balances at 31 August 2020</b>		<b>196,271</b>	<b>12,973</b>	<b>209,244</b>	<b>168,335</b>

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

All income and expenditure derive from continuing activities.

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

# MERTON MUSIC FOUNDATION

## BALANCE SHEET

As at 31 August 2020

---

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	10		49,958		56,960
<b>Current assets</b>					
Debtors	11	9,149		5,461	
Cash at bank and in hand		329,370		240,579	
		<u>338,519</u>		<u>246,040</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(179,233)</u>		<u>(134,665)</u>	
Net current assets			159,286		111,375
<b>Total assets less current liabilities</b>			<u>209,244</u>		<u>168,335</u>
<b>Income funds</b>					
Restricted funds			12,973		12,973
Unrestricted funds			196,271		155,362
			<u>209,244</u>		<u>168,335</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

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

The financial statements were approved by the Trustees on 21 October 2021

Edward Hickman  
Trustee

Company Registration No. 02590621

# MERTON MUSIC FOUNDATION

## STATEMENT OF CASH FLOWS

For the year ended 31 August 2020

---

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	21		94,916		49,278
<b>Investing activities</b>					
Purchase of tangible fixed assets		(6,156)		(34,674)	
Interest received		31		39	
<b>Net cash used in investing activities</b>			(6,125)		(34,635)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			88,791		14,643
Cash and cash equivalents at beginning of year			240,579		225,936
<b>Cash and cash equivalents at end of year</b>			329,370		240,579

---

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

---

### 1 Accounting policies

#### Charity information

Merton Music Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Merton Abbey School, High Path, London, SW19 2JY.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

#### 1.2 Going concern

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

#### 1.3 Incoming resources

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

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

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

#### 1.4 Resources expended

##### Expenditure for charitable purposes

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

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

##### Governance costs

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

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

---

### 1 Accounting policies

(Continued)

#### 1.5 Tangible fixed assets

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

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

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

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

#### 1.6 Impairment of fixed assets

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

#### 1.7 Cash and cash equivalents

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

#### 1.8 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### *Basic financial liabilities*

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

---

### 1 Accounting policies

(Continued)

#### 1.9 Leases

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

#### 1.10 Fund Accounting

The funds held by the charitable company are either:

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

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

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

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

##### **Peter Wooding's bursary fund**

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

##### **Greenwood bursary fund**

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

##### **Wider Opportunities**

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

##### **Arts Council England Funding**

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

##### **Dorothy Taylor Bequest**

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

##### **Arts Council England 'Grants for the arts'**

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

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

---

### 2 Critical accounting estimates and judgements

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

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

### 3 Donations and legacies

	2020	2019
	£	£
Donations and gifts	3,054	22,211
Gift aid claimed in prior years	-	4,024
	<u>3,054</u>	<u>26,235</u>

The income from voluntary income was £3,054 (2019: £26,235) of which all are unrestricted income.

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

4 Charitable activities	Tuition fees		Hire of instruments		Music centre subscriptions		Concert and tour receipts		Fees - inset		Grants receivable		Other income		Total	
	2020	£	2020	£	2020	£	2020	£	2020	£	2020	£	2020	£	2020	£
Sales within charitable activities	726,880		22,518		61,331		31,615		58,755		5,013		3,927		910,039	1,021,880
Grants	-		-		-		-		-		277,173		-		277,173	282,125
	<u>726,880</u>		<u>22,518</u>		<u>61,331</u>		<u>31,615</u>		<u>58,755</u>		<u>282,186</u>		<u>3,927</u>		<u>1,187,212</u>	<u>1,304,005</u>
Analysis by fund																
Unrestricted funds	726,880		22,518		61,331		31,615		58,755		5,013		3,927		910,039	1,021,880
Restricted funds	-		-		-		-		-		277,173		-		277,173	282,125
	<u>726,880</u>		<u>22,518</u>		<u>61,331</u>		<u>31,615</u>		<u>58,755</u>		<u>282,186</u>		<u>3,927</u>		<u>1,187,212</u>	<u>1,304,005</u>
<b>For the year ended 31 August 2019</b>																
Unrestricted funds	723,196		34,793		68,172		180,991		8,460		-		6,268		910,039	1,021,880
Restricted funds	-		-		-		-		-		282,125		-		277,173	282,125
	<u>723,196</u>		<u>34,793</u>		<u>68,172</u>		<u>180,991</u>		<u>8,460</u>		<u>282,125</u>		<u>6,268</u>		<u>1,187,212</u>	<u>1,304,005</u>

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

### 5 Investments

	2020 £	2019 £
Interest receivable	31	39

The income from investments was £31 (2019: £39) which was unrestricted.

### 6 Charitable activities

	Staff costs 2020 £	Depreciation 2020 £	Direct Costs 2020 £	Allocated costs 2020 £	Total 2020 £	Total 2019 £
Instrumental tuition	110,581	-	342,613	28,958	482,152	594,041
Youth music programme	250,725	-	92,801	7,240	350,766	328,355
Tours and Concerts	78,556	-	4,699	7,240	90,495	61,904
Professional advice and support	9,548	-	-	3,620	13,168	9,016
CPD training	7,987	-	-	3,620	11,607	77,865
Project development	88,795	-	16,929	7,239	112,963	158,207
Instrument repair and hire	12,796	-	2,464	7,239	22,499	18,139
	<u>558,988</u>	<u>-</u>	<u>459,506</u>	<u>65,156</u>	<u>1,083,650</u>	<u>1,247,527</u>
Share of support costs (see note 7)	24,591	13,158	9,573	7,240	54,562	41,491
Share of governance costs (see note 7)	-	-	11,176	-	11,176	11,473
	<u>583,579</u>	<u>13,158</u>	<u>480,255</u>	<u>72,396</u>	<u>1,149,388</u>	<u>1,300,491</u>

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

### 7 Support costs

	Support cost	Other costs	2020	2019	
	£	£	£	£	
Salaries	23,663	-	23,663	19,705	
Pension costs	928	-	928	1,037	
Legal and professional fee	-	-	-	1,852	
Bank charges	6,878	-	6,878	7,191	
Sundries	2,695	-	2,695	2,411	
Depreciation	13,158	-	13,158	-	
Allocated support	7,240	-	7,240	9,295	
Audit and accountancy fee	-	11,176	11,176	11,473	Governance
	<u>54,562</u>	<u>11,176</u>	<u>65,738</u>	<u>52,964</u>	
Analysed between					
Charitable activities	<u>54,562</u>	<u>11,176</u>	<u>65,738</u>	<u>52,964</u>	

Governance costs includes payments to the auditors of £8,060 (2019- £8,730) for audit fees.

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

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

---

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Number of employees	31	31
	<u>          </u>	<u>          </u>
	<b>£</b>	<b>£</b>
Wages and salaries	498,170	424,960
Social security costs	36,705	34,281
Other pension costs	48,702	42,437
	<u>          </u>	<u>          </u>
	583,576	501,678
	<u>          </u>	<u>          </u>

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

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
£60,000 to £70,000	2	1
	<u>          </u>	<u>          </u>

Number of employees whose emoluments exceed £60,000 2 (2019: 1 employee) has retirement benefits accruing under defined benefit pension schemes. A total of £25,328 (2019: £11,157) was paid to the Teachers' Pension Scheme in the year for this employee.

### 9 Taxation

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

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

### 10 Tangible fixed assets

	Musical instruments	Computer equipment	Office equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2019	224,265	41,242	30,539	296,046
Additions	5,265	891	-	6,156
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2020	229,530	42,133	30,539	302,202
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation and impairment</b>				
At 1 September 2019	177,099	33,303	28,684	239,086
Depreciation charged in the year	10,486	2,208	464	13,158
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2020	187,585	35,511	29,148	252,244
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>				
At 31 August 2020	41,945	6,622	1,391	49,958
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2019	47,166	7,939	1,855	56,960
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 11 Debtors

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	3,465	1,461
Other debtors	3,684	4,000
Prepayments and accrued income	2,000	-
	<u>          </u>	<u>          </u>
	9,149	5,461
	<u>          </u>	<u>          </u>

### 12 Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Other taxation and social security		8,472	9,736
Deferred income	13	109,284	75,983
Trade creditors		28,436	16,245
Other creditors		16,175	14,421
Accruals		16,866	18,280
		<u>          </u>	<u>          </u>
		179,233	134,665
		<u>          </u>	<u>          </u>

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

### 13 Deferred income

	2020 £	2019 £
Arising from other deferred income	109,284	75,983

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

### 14 Retirement benefit schemes

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

### 15 Analysis of net assets between funds

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total 2020 ££	Restricted funds 2019 £	Unrestricted funds 2019	Total 2019 £
Fund balances at 31 August 2020 are represented by:						
Tangible assets	-	60,444	49,958	-	56,960	56,960
Current assets/(liabilities)	12,973	146,314	159,286	12,973	98,402	111,375
	<u>12,973</u>	<u>206,758</u>	<u>209,244</u>	<u>12,973</u>	<u>155,362</u>	<u>168,335</u>

### 16 Financial commitments, guarantees and contingent liabilities

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

### 17 Operating lease commitments

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

	2020 £	2019 £
Between two and five years	18,513	35,498

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

---

### 18 Related party transactions

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

### 19 Teachers' Pension Scheme

The charity participates in the Teachers' Pension Scheme (England and Wales) (the "TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £48,702 (2019: £38,872).

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

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

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016, with any resulting changes to the employer rate to take effect from 1 September 2019. The employers contribution rate increased to 23.68%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.76%. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

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

Six (2019: Five) members of staff who are not eligible to join the Teachers' Pension Scheme participated in a defined contribution scheme to which the charity contributed £3,022(2019: £2,556).

### 20 Analysis of changes in net funds

The charitable company had no debt during the year.

# MERTON MUSIC FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2020

---

21 Cash generated from operations	2020 £	2019 £
Surplus for the year	40,909	29,788
Adjustments for:		
Investment income recognised in statement of financial activities	(31)	(39)
Depreciation and impairment of tangible fixed assets	13,158	3,265
Movements in working capital:		
(Increase)/decrease in stocks	-	1,502
(Increase)/decrease in debtors	(3,688)	27,441
Increase in creditors	11,267	10,468
Increase/(decrease) in deferred income	33,301	(23,147)
<b>Cash generated from operations</b>	<u>94,916</u>	<u>49,278</u>