

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
Limited by guarantee**

**Company Registered Number 2737172  
Charity Commission Reference Number 1013838**

**ANNUAL REPORT AND ACCOUNTS  
Year ended 31 August 2022**

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**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
SIGNIFICANT INFORMATION  
for the year ended 31 August 2022**

The company is established as a company limited by guarantee and is registered as a charity with the Charity Commission. The affairs of the company are governed by its Memorandum and Articles of Association.

**Company Registered Number 2737172**

**Charity Commission Reference Number 1013838**

<b>DIRECTORS</b>	Mrs N S Garforth Mr D Blakeborough Cllr A C Pinnock Cllr L Warner Mrs H P Davies Mr B Jones Mr M McKirgan Mr A J Harris Mr J M Nunn	Chair
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<b>PRINCIPAL</b>	Mr T Meredith
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<b>REGISTERED OFFICE</b>	9 Beast Market Huddersfield HD1 1QF
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**ADVISERS**

<b>Bankers</b>	Barclays Bank PLC 17 Market Place Huddersfield HD1 2AB	Virgin Money Jubilee House Newcastle upon Tyne NE3 4PL
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<b>Auditors</b>	G L Barker & Co 47- 49 Austhorpe Road Leeds LS15 8BA
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<b>Solicitors</b>	Lupton Fawcett 2 The Embankment Sovereign Street Leeds LS1 4BA
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**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**Company Registered Number 2737172**  
**REPORT OF THE BOARD OF DIRECTORS**  
**for the year ended 31 August 2022**

The Board presents the report and financial statements of Kirklees Music School for the year ended 31 August 2022. The statements appear in the format required by the Charities SORP (FRS 102) and the Charities Act 2011. The report and statements also comply with the Companies Act 2006. The company has no share capital and is a registered charity. The guarantee of each member is limited to £1. The members are the directors of the company.

### **Structure, Governance and Management**

The governing document is the Memorandum and Articles of Association. It was last amended in 2021.

Kirklees Music School owns all the share capital of Musica Kirklees Limited.

Kirklees Council can nominate two of the directors. Other nominations are made by the existing Board of Directors. On appointment a director is given an information pack that includes the Memorandum and Articles of Association and the latest audited accounts. Training needs are assessed and met.

The Board of Directors is responsible for the overall strategy of the company. The Principal is responsible for the day to day management.

Kirklees Music School is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The appropriateness of the Principal's and other employees' remuneration is reviewed annually, including reference to comparisons with similar organisations ensuring Kirklees Music School remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

### **Objectives and Activities**

Kirklees Music School is a music education charity and its principal activities are peripatetic music tuition and ensemble provision at music centres.

Kirklees Music School aims to promote and support the highest quality music education for all. The company exists for the advancement of public education in all aspects of music in the Borough of Kirklees. Kirklees Music School aims to provide a safe and encouraging environment where young people are nurtured and their achievements celebrated.

Kirklees Music School was appointed the lead organisation for the Kirklees Music Education Hub by Arts Council England. Music Education Hub funding is spent in accordance with Arts Council England guidelines and supports the following priorities from 'The Importance of Music: A National Plan for Music Education.'

#### Core roles

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

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
REPORT OF THE BOARD OF DIRECTORS  
for the year ended 31 August 2022**

Extension roles

- a) Offer training to music teachers.
- b) Provide an instrument loan service, with discounts or free provision for those on low incomes.
- c) Provide access to large scale and/or high quality music experiences for pupils, working with professional musicians and/or venues.

Kirklees Music School measures its success according to its fulfilment of the core and extension roles.

**Financial Review**

The year has been spent recovering from the impact of COVID-19 and building pupil numbers and activities up to their previous levels. Core Arts Council funding was reduced by £9,978 during the year.

After making appropriate enquiries, the Board considers that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The result for the year and the Balance Sheet at 31 August 2022 represent a satisfactory outcome in very difficult circumstances.

**Achievements and Performance**

Kirklees Music School was able to organise an increased number of concerts and events compared with the previous year.

Ensemble music making, both at Music Centres and for the Kirklees Music School central groups, has always been a strength and ensuring that this remains the case is very important to us. Concerts continue to be a main focus for the players at Music Centres along with active involvement in their local communities. It is hoped participation at Music Centres can be revived shortly to the levels we have traditionally provided.

Our recital teams and individual teacher demonstrations provide initial access to live music-making for thousands of children in Kirklees and are extremely well received by teachers and children in schools.

We work closely with all schools in Kirklees and request feedback on all areas of delivery such as teaching and live music performances. Network meetings for Secondary Schools are organised as well as Primary Hub Updates for Primary and First Schools.

The Hub Advisory Forum for appropriate Headteachers, Heads of music and other music providers gives us further feedback for music in Kirklees. A strategic partnership also exists between the Hubs in Kirklees, Bradford, Calderdale, Wakefield and Leeds. Partnership between the five Hubs has been growing over the past few years and strong links now exist which foster excellent working relationships.

At a local level our partnerships with schools, colleges, parents and other bodies have demonstrated the power of effective partnerships.

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
REPORT OF THE BOARD OF DIRECTORS  
for the year ended 31 August 2022**

Kirklees Music School has an established network of six music centres which are strategically placed across the locality and which provide a range of activities from traditional string ensembles and wind bands through African drumming to rock and soul bands.

The Company works closely with amateur choirs, bands and orchestras in the area, often embarking on joint ventures and sharing the stage with them at concerts and events. Players involved in First Access at schools are encouraged to attend one of the beginner ensembles at their local music centre.

Performance is seen as a vital part of making music and children are encouraged to perform on instruments and vocally in order to celebrate the achievements they have made.

The central ensembles provide challenge for young people who wish to pursue their musical interests to a higher level. There is a steady stream of young people who go on to study music at Higher Education, both university and conservatoire.

Young people are encouraged to consider provision offered by centres for advanced training such as Yorkshire Young Musicians in Leeds and Chetham's in Manchester. Kirklees has many success stories in these areas and has also enabled many students to gain coveted places at conservatoires across the country.

Kirklees has an excellent reputation for singing and over recent years there has been a positive drive to create partnerships to ensure that the excellence and diversity of our current provision continues to flourish. Our First Access programmes include an emphasis on singing in order to broaden the musical skills of young people.

**Principal risks and uncertainties**

The Directors have considered the risks facing the Company and believe the main risk is ensuring there is continuing funding from the Arts Council, at an appropriate level. The Directors regard the health and safety of children as being of paramount importance and ensure staff are vetted by the Disclosure and Barring Service.

**Future developments**

Repairing the damage caused by Covid-19 is a big challenge. Maintaining and developing our customer base is very important. Our plans for the coming year are designed to allow the Company to recover from Lockdown and to continue to function successfully both as a deliverer of high quality music education and as a company mindful of its responsibilities to its employees, its clients and its future.

We will explore new ways of working such as on-line provision and do what we can to adapt to the new expectations of stakeholders.

Our fundraising initiatives will continue to support bursaries for children with challenging financial circumstances. This will be marketed under the title of 'the Gift of Music.'

We will develop our activities to support the Hub's four core roles and three extension roles.

**Public Benefit statement**

Kirklees Music School benefits the public by operating music centres and providing music education to the young people of Kirklees. Discounts are made available to pupils in financial hardship.

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**REPORT OF THE BOARD OF DIRECTORS**  
**for the year ended 31 August 2022**

The Directors have referred to the information contained in the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The Directors are satisfied that Kirklees Music School provides a public benefit in accordance with the Charity Commission's guidance.

**Directors' responsibility for the Financial Statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and group and of the income and expenditure of the charity and group for that period. In preparing those financial statements, the directors are required to:

select suitable accounting policies and apply them consistently;

observe the methods and principles in the Charities SORP;

follow applicable accounting standards and Statements of Recommended Practice without any material departures;

make judgements and estimates that are reasonable and prudent;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

**Statement of disclosure of information to auditors**

The directors of the company who held office at the date of approval of this Annual Report each confirm that:

so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Reserves Policy**

At the Balance Sheet date total reserves amounted to £1,139,996. Unrestricted funds amounted to £1,136,639 and Restricted Funds (Gift of Music) amounted to £3,357.

In the opinion of the Board of Directors reserves amounting to at least seven months running costs are required. Reserves of at least £1,100,000 are therefore needed.

The Reserves Policy continues to be reviewed on a regular basis.

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
REPORT OF THE BOARD OF DIRECTORS  
for the year ended 31 August 2022**

**Tangible Fixed Assets**

The movements in the company's tangible fixed assets are set out in note 11.

**Principal funding sources**

The main source of funding in a normal year is from parents of children receiving music lessons or attending one of the Kirklees Music School music centres. In these financial statements that represented 41% of total income. Services provided directly to schools represented 16% of total income. A service level agreement with the Arts Council provided 37% of total income.

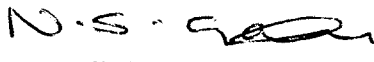
**Investment Policy**

Kirklees Music School has a number of short and medium term challenges. The Directors do not consider it prudent to invest funds in stocks and shares, which are designed for the longer term. Their policy for investment is, therefore, to retain funds as cash and place them on bank deposit.

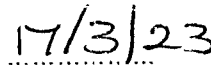
**Small Company Exemption**

Advantage has been taken of the exemption for smaller incorporated charities conferred by the Charities SORP (FRS 102) to prepare this report in accordance with the special provisions of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD OF DIRECTORS**



.....  
N. S. Garforth  
Director



.....  
Date

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**INDEPENDENT AUDITOR'S REPORT**  
**To the members of Kirklees Music School**  
**for the year ended 31 August 2022**

## **Opinion**

We have audited the financial statements of Kirklees Music School (the 'charitable company') for the year ended 31 August 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 group's and company's affairs as at 31 August 2022, and of the group's and the parent company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006 and the Charities Act 2011.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

## **Other information**

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

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
INDEPENDENT AUDITOR'S REPORT  
To the members of Kirklees Music School  
for the year ended 31 August 2022**

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.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion; adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or the financial statements are not in agreement with the accounting records and returns, or certain disclosures of Trustees' remuneration specified by law are not made or we have not received all the information and explanations we require for our audit, or; the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement the Trustees (who are also the directors of the charitable company for the purposes 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.

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
INDEPENDENT AUDITOR'S REPORT  
To the members of Kirklees Music School  
for the year ended 31 August 2022**

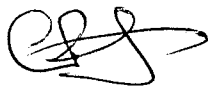
**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**Use of our report**

This report is made solely to the Kirklees Music School members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kirklees Music School and its members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Graeme Peter Greenfield  
Senior Statutory Auditor  
For and on behalf of  
G L Barker & Co LLP  
Chartered Certified Accountants and Statutory Auditor  
47 - 49 Austhorpe Road  
Leeds  
LS15 8BA

20/3/23  
.....  
Date

G L Barker & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 August 2022**  
**(INCORPORATING THE CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)**

Notes	Unrestricted Funds £	Restricted Funds £	Total <u>2022</u> £	Total <u>2021</u> £
<b>Income and endowments from:</b>				
5	199	386	585	2,886
6	2,236	0	2,236	4,326
7	1,683,013	0	1,683,013	1,368,601
8	68,523	0	68,523	375,896
	<b><i>Total income and endowments</i></b>	<b><i>386</i></b>	<b><i>1,754,357</i></b>	<b><i>1,751,709</i></b>
<b>Expenditure on:</b>				
9	<b><i>Charitable activities</i></b>	1,814,410	2,269	1,816,679
	<b>Net income/ (expenditure)</b>	(60,439)	(1,883)	(62,322)
	<b>Net movement in funds</b>	(60,439)	(1,883)	(62,322)
<b>Reconciliation of</b>				
	Total funds brought forward	1,197,078	5,240	1,202,318
17	Total funds carried forward	<u>1,136,639</u>	<u>3,357</u>	<u>1,139,996</u>

There were no costs of generating donations or investment management costs.

Under the provisions of Section 408 of the Companies Act, a separate statement of financial activities for the company alone is not required.

All of the activities undertaken by the charity were continuing activities and no new activities were acquired during the year.

There are no recognised gains or losses other than those in the Statement of Financial Activities. Therefore, no Statement of Recognised Gains or Losses has been prepared.

The notes on pages 13 to 20 form an integral part of these accounts

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**Company Registered Number 2737172**  
**CONSOLIDATED BALANCE SHEET at 31 August 2022**

Notes	Group <u>2022</u> £	Group <u>2021</u> £	Company <u>2022</u> £	Company <u>2021</u> £
<b>Fixed assets</b>				
11	38,791	59,958	38,791	59,958
12	0	0	120	120
	<u>38,791</u>	<u>59,958</u>	<u>38,911</u>	<u>60,078</u>
<b>Current assets</b>				
13	34,427	134,726	34,427	134,726
16	<u>1,160,246</u>	<u>1,120,695</u>	<u>1,160,246</u>	<u>1,120,695</u>
	1,194,673	1,255,421	1,194,673	1,255,421
14	(93,467)	(113,061)	(93,587)	(113,181)
	<u>1,101,206</u>	<u>1,142,360</u>	<u>1,101,086</u>	<u>1,142,240</u>
	<u>1,139,996</u>	<u>1,202,318</u>	<u>1,139,996</u>	<u>1,202,318</u>
<b>FUNDS</b>				
	1,136,639	1,197,078	1,136,639	1,197,078
17	<u>3,357</u>	<u>5,240</u>	<u>3,357</u>	<u>5,240</u>
	<u>1,139,996</u>	<u>1,202,318</u>	<u>1,139,996</u>	<u>1,202,318</u>

Approved by the directors and trustees on 17<sup>th</sup> March 2023 and signed on their behalf by

N. S. Garforth  
N.S. Garforth  
Director

The notes on pages 13 to 20 form an integral part of these accounts

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 August 2022**

Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
15				
Net cash provided by operating activities	<u>44,245</u>	<u>(1,883)</u>	<u>42,362</u>	<u>(155,919)</u>
Cash flows from investing activities:				
	2,236		2,236	4,326
Interest from investments				
Purchase of fixed assets	(5,048)		(5,048)	(44,459)
Net cash provided by investing activities	(2,811)		(2,811)	(40,133)
Net cash provided by financing activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in cash in the year	<u>41,434</u>	<u>(1,883)</u>	<u>39,551</u>	<u>(196,052)</u>
Cash at 1.9.21	1,115,455	5,240	1,120,695	1,316,747
16				
Cash at 31.8.22	<u>1,156,889</u>	<u>3,357</u>	<u>1,160,246</u>	<u>1,120,695</u>

## **1 ACCOUNTING POLICIES**

### **Basis of Accounting**

The statement of accounts has been prepared under the historical cost convention in accordance with the provisions of the Companies Act 2006, the Charities Statement of Recommended Practice (FRS 102) and applicable accounting standards. Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the company. The company qualifies as a small company under the Companies Act 2006. The Group accounts are the consolidated accounts of Kirklees Music School and Musica Kirklees Limited.

### **Fund Accounting**

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

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

### **Taxation**

As a registered charity, the company benefits from rates relief and is generally exempt from income tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

### **Investments**

Realised gains and losses are taken to the Statement of Financial Activities.

### **Incoming Resources**

All income is accounted for as soon as the Company has entitlement to the income and there is certainty of receipt and the amount is quantifiable.

### **Resources expended**

All expenditure is accounted for on an accruals basis. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity. Overheads and other salaries are allocated between expense headings on the basis of time spent.

Governance costs are those incurred in connection with the management of the Company's assets, organisational administration and compliance with constitutional and statutory requirements.

### **Presentation currency**

The presentation currency of the financial statements is the Pound Sterling (£).

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

**Fixed Assets**

Assets with a cost in excess of £1,500 intended to be of ongoing use to the Company in carrying out its activities are capitalised as fixed assets.

All fixed assets are included at cost.

Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life.

Musical instruments	50% Straight line
Fixtures, fittings and equipment	25% Straight line
Computer equipment	33 <sup>1</sup> / <sub>3</sub> % Straight line

**Leases**

Rentals paid under operating leases are charged against income as incurred.

**Pension contributions**

The company contributes to a defined contribution personal pension scheme for non-teaching staff in addition to the defined benefit Teachers Pension Scheme for teachers. Kirklees Music School's contributions to the scheme are affected by a surplus or deficit in the scheme, however, it is unable to identify its share of the underlying assets and liabilities in the scheme on a reasonable or consistent basis and has thus availed itself of the exemption permitted by paragraph 9 of Financial Reporting Standard 102 to treat the scheme as a defined contribution scheme.

The assets of the schemes are held separately from those of the company in independently administered funds. The amounts charged against income represent the contributions payable to the schemes in respect of the accounting period.

**2 OPERATING LOSS OF THE COMPANY**

	<u>2022</u>	<u>2021</u>
	£	£
The operating loss is stated after charging:		
Depreciation on tangible fixed assets	26,215	29,700
Auditor's remuneration	7,500	7,500

During the year the auditors also received £450 (2021- £564) in respect of non audit services.

**3 EMPLOYEE INFORMATION**

	<u>2022</u>	<u>2021</u>
The average number of full time equivalent employees during the year was:		
Directors	9	5
Support staff - music centres	1	1
Support staff - office	8	8
Teachers	<u>27</u>	<u>27</u>
	<u>45</u>	<u>41</u>

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

		<u>2022</u>	<u>2021</u>
<b>3</b>	<b>EMPLOYEE INFORMATION - Continued</b>		
	The average total number of staff (includes part time staff) was:		
	Directors	9	5
	Support staff - music centres	4	4
	Support staff - office	11	11
	Teachers	<u>55</u>	<u>55</u>
		<u>79</u>	<u>75</u>
	Staff costs for all the above were:		
		<u>2022</u>	<u>2021</u>
		£	£
	Salaries and wages	1,174,794	1,156,640
	Redundancy	0	6,759
	Social security costs	85,186	75,516
	Defined benefit pension	213,709	216,708
	Defined contribution pension scheme	<u>50,296</u>	<u>57,800</u>
		<u>1,523,986</u>	<u>1,513,423</u>

No employee received a salary greater than £60,000. The Principal received total employee benefits of £71,775 (2021 - £72,782), consisting of a gross salary of £58,033 and employer pension contributions of £13,742.

None of the directors received any emoluments or expenses in respect of their services to the company during the year.

**4 DEFINED BENEFIT PENSION**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools, and teachers and lecturers in some establishments of higher and further education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act 1972 and Public Service Pensions Act 2013 and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

**Valuation of the Teachers' Pension Scheme**

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found on the Teachers' Pension Scheme website.

**Scheme Changes**

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public sector pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the Government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

Under the definitions set out in Financial Reporting Standard (FRS 102) Retirement Benefits, the TPS is a multi employer pension scheme. Kirklees Music School is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, Kirklees Music School has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. Kirklees Music School has set out above the information available on the scheme and the implications for the company in terms of the anticipated contribution rates.

**5 DONATIONS AND LEGACIES**

	<u>Unrestricted Funds 2022</u>	<u>Restricted Funds 2022</u>	<u>Total 2022</u>	<u>Total 2021</u>
	£	£	£	£
Donations	<u>199</u>	<u>386</u>	<u>585</u>	<u>2,886</u>

**6 INCOME FROM INVESTMENTS**

	<u>Unrestricted Funds 2022</u>	<u>Restricted Funds 2022</u>	<u>Total 2022</u>	<u>Total 2021</u>
	£	£	£	£
Interest receivable	<u>2,236</u>	<u>0</u>	<u>2,236</u>	<u>4,326</u>

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

**7 INCOME FROM CHARITABLE ACTIVITIES**

	<u>2022</u>	<u>2021</u>
	£	£
Arts Council	651,281	937,066
Other income	27,423	12,376
Music education - parents	645,796	261,182
Music education - music centres	88,303	15,924
Music education - schools	<u>270,210</u>	<u>142,053</u>
	<u>1,683,013</u>	<u>1,368,601</u>

**8 OTHER INCOMING RESOURCES**

	<u>2022</u>	<u>2021</u>
	£	£
Furlough wages	0	307,373
Pension grant	<u>68,523</u>	<u>68,523</u>
	<u>68,523</u>	<u>412,842</u>

**9 CHARITABLE ACTIVITIES EXPENDITURE**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
	<u>Funds 2022</u>	<u>Funds 2022</u>	<u>2022</u>	<u>2021</u>
	£	£	£	£
Grant funding	17,349	2,269	19,618	5,644
Governance costs	8,573		8,573	8,855
Music centres rent	26,598		26,598	7,707
Sheet music	153		153	358
Projects	11,713		11,713	750
Instrument repairs	35,572		35,572	74,976
Motor and travel	26,575		26,575	19,453
Wages	1,523,986		1,523,986	1,513,423
School liaison	11,715		11,715	12,065
Rent, rates and water	34,966		34,966	34,479
Heat and light	7,298		7,298	5,354
Property repairs	2,530		2,530	2,618
Cleaning	1,310		1,310	5,264
Telephone	2,677		2,677	3,581
Photocopier	3,938		3,938	4,435
Computer costs	15,092		15,092	18,903
Printing and stationery	2,535		2,535	5,121
Postage	2,744		2,744	5,765
Bank charges	5,202		5,202	2,818
Payroll charges	7,389		7,389	7,068
Legal	3,888		3,888	3,888
Insurance	22,406		22,406	24,724
Training costs	5,892		5,892	1,842
Marketing	480		480	120
Sundries	1,982		1,982	466
Depreciation	26,215		26,215	29,700
Bad debts	5,631		5,631	1,644
<b>Total expenditure</b>	<u>1,814,410</u>	<u>2,269</u>	<u>1,816,679</u>	<u>1,800,782</u>

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

**10 GOVERNANCE**

	<u>2022</u>	<u>2021</u>
	£	£
Legal	479	579
Audit	7,500	7,500
Indemnity insurance	<u>594</u>	<u>776</u>
	<u>8,573</u>	<u>8,855</u>

Indemnity insurance has been purchased to protect the charity, directors and officers from loss arising from the neglect or default of the directors or other officers.

**11 TANGIBLE FIXED ASSETS**

	Musical Instruments	Fixtures and Fittings	Computers	Total
<b>Cost</b>	£	£	£	£
Balance 1.9.21	102,277	25,801	70,209	198,287
Additions	3,358	0	1,690	5,048
Disposals	0	0	0	0
Balance 31.8.22	<u>105,635</u>	<u>25,801</u>	<u>71,899</u>	<u>203,335</u>
<b>Depreciation</b>				
Balance 1.9.21	102,277	21,151	14,901	138,329
Charge for the year	840	1,550	23,825	26,215
Disposals	0	0	0	0
Balance 31.8.22	<u>103,117</u>	<u>22,701</u>	<u>38,726</u>	<u>164,544</u>
<b>Written down value at 31.8.21</b>	<u>0</u>	<u>4,650</u>	<u>55,308</u>	<u>59,958</u>
<b>Written down value at 31.8.22</b>	<u>2,518</u>	<u>3,100</u>	<u>33,173</u>	<u>38,791</u>

**12 INVESTMENTS**

**Investment in subsidiary undertaking**

	<u>2022</u>	<u>2021</u>
	£	£
Shares at cost	<u>120</u>	<u>120</u>

The subsidiary undertaking is Musica Kirklees Limited (company number 10289559). The company is currently dormant.

Kirklees Music School owns all the issued share capital of the company. 120 Ordinary shares of £1 each are issued.

The assets and liabilities of the subsidiary undertaking at 31 August 2022 were:-

	£
Owed by parent undertaking	<u>120</u>
representing	
Share capital	<u>120</u>

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

**13 DEBTORS**

	Group <u>2022</u> £	Group <u>2021</u> £	Company <u>2022</u> £	Company <u>2021</u> £
Trade debtors	12,961	9,761	12,961	9,761
Prepayments	<u>21,466</u>	<u>124,965</u>	<u>21,466</u>	<u>124,965</u>
	<u>34,427</u>	<u>134,726</u>	<u>34,427</u>	<u>134,726</u>

**14 CREDITORS**

**Amounts falling due within one year:**

	Group <u>2022</u>	Group <u>2021</u>	Company <u>2022</u>	Company <u>2021</u>
Trade creditors	6,765	4,938	6,765	4,938
Owed to group undertaking	0	0	120	120
Accruals	<u>86,702</u>	<u>108,123</u>	<u>86,702</u>	<u>108,123</u>
	<u>93,467</u>	<u>113,061</u>	<u>93,587</u>	<u>113,181</u>

**15 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	<u>Total 2022</u> £	<u>Total 2021</u> £
Net income for the year	(60,439)	(1,883)	(62,322)	(49,313)
Adjustments for:				
Depreciation	26,215		26,215	29,700
Investment income	(2,236)		(2,236)	(4,326)
Decrease in debtors	100,299		100,299	(117,503)
Decrease in creditors	(19,594)		(19,594)	(29,104)
Net cash provided by operating activities	<u>44,245</u>	<u>(1,883)</u>	<u>42,362</u>	<u>(155,919)</u>

**16 ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<u>Total 2022</u> £	<u>Total 2021</u> £
Cash at bank	452,247	415,695
Notice deposits (3 to 12 months)	<u>708,000</u>	<u>705,000</u>
Total cash and cash equivalents	<u>1,160,247</u>	<u>1,120,695</u>

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022**

**17 RESTRICTED FUND**

The Gift of Music Fund has been set aside by the Directors to provide bursaries to children with challenging financial circumstances.

	<u>2022</u>	<u>2021</u>
	£	£
Balance at 1 September 2021	5,240	5,360
Donations	386	120
Expenditure	<u>(2,269)</u>	<u>(240)</u>
Balance at 31 August 2022	<u>3,357</u>	<u>5,240</u>

**18 COMMITMENTS AND CONTINGENT LIABILITIES**

At the balance sheet date there were no commitments for capital expenditure other than as provided for in these accounts.

At the balance sheet date there were no contingent liabilities.

Annual commitments under non-cancellable operating leases are as follows:

	<u>2022</u>		<u>2021</u>	
	Land and Buildings	Other	Land and Buildings	Other
	£	£	£	£
Expiring in less than one year	0	0	0	0
Expiring between one year and five years	18,500	2,880	18,500	2,880

**KIRKLEES MUSIC SCHOOL (Operating as MUSICA KIRKLEES)**  
**DETAILED TRADING ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022**

	<u>2022</u>	<u>2021</u>
	£	£
<b>INCOME</b>		
Arts Council	651,281	937,066
Music education - parents	645,796	261,182
Discounts granted	(15,795)	(5,045)
Music education - music centres	88,303	15,924
Discounts granted	(1,554)	(359)
Music education - schools	270,210	142,053
Other income	27,423	12,376
Pension grant	68,523	68,523
Furlough wages	0	307,373
Interest receivable	2,236	4,326
Donations	199	2,766
<b>Total income</b>	<b>1,736,622</b>	<b>1,746,185</b>
<b>EXPENDITURE</b>		
Music centres rent	26,598	7,707
Sheet music	153	358
Instrument repairs	35,572	74,976
Projects	11,713	750
Travel	26,575	19,453
Wages	1,523,986	1,513,423
School liaison	11,715	12,065
Rent, rates and water	34,966	34,479
Heat and light	7,298	5,354
Property repairs	2,530	2,618
Cleaning	1,310	5,264
Telephone	2,677	3,581
Photocopier	3,938	4,435
Computer costs	15,092	18,903
Printing and stationery	2,535	5,121
Postage	2,744	5,765
Bank charges	5,202	2,818
Payroll charges	7,389	7,068
Legal	4,367	4,467
Audit	7,500	7,500
Insurance	23,000	25,500
Training costs	5,892	1,842
Marketing	480	120
Sundries	1,982	466
Depreciation	26,215	29,700
Bad debts	5,631	1,644
<b>Total expenditure</b>	<b>1,797,061</b>	<b>1,795,378</b>
<b>LOSS FOR THE YEAR</b>	<b>(60,439)</b>	<b>(49,193)</b>