

Registered Charity: 1022336  
A Company Limited by Guarantee No. 2722361

**MATRIX ARTS CENTRE**

**ANNUAL REPORT AND UNAUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

**MATRIX ARTS CENTRE  
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FOR THE YEAR ENDED 31 AUGUST 2021**

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**MATRIX ARTS CENTRE  
LEGAL AND ADMINISTRATIVE INFORMATION  
FOR THE YEAR ENDED 31 AUGUST 2021**

**Directors:**

Dr S M Pinchin  
Mr D Griffiths  
Mrs K A Rushton

**Company Registered Number:**

02722361

**Charity Registered Number:**

1022336

**Registered & Business Office:**

15-17 The Nursery  
Sutton Courtenay  
Abingdon  
Oxon  
OX14 4UA

**Independent Examiner:**

Caroline Webster FCA  
UHY Ross Brooke  
Suite 1 Windrush Court  
Abingdon Business Park  
Abingdon  
OX14 1SY

**Bankers:**

Barclays Bank PLC  
30 Market Square  
Witney  
Oxfordshire  
OX28 6BJ

**MATRIX ARTS CENTRE  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

**Constitution**

The Charity is a company limited by guarantee and governed by its Memorandum and Articles of Association dated 9 March 1992.

**Principal Activity and Achievements**

Matrix Arts Centre is an arts education charity housed in a purpose-built, award-winning building owned by the charity. The main activity of the charity is the running of the music school but it also offers some art, dance and fitness activities.

Matrix offers music scholarships for families who would otherwise be unable to afford it. Around 500 students aged from 2 years through to adults attend each week.

Students and supporters are given opportunities to take part in performances, take music and dance exams, and attend concerts and related social events, including our professional concert series 'Music at Matrix'.

**Continued response to the pandemic**

The charity applied for and received three government covid support grants totalling £15,797. Yamaha Europe suspended royalty payments throughout the year providing further financial support. The centre moved online during each lockdown and held on to a satisfactory percentage of its students. The covid situation in April 2021 allowed new classes to start - the first intake of students since November 2019.

**Financial Review**

The charity reported increased income this year of £218,754 (2020: £207,223) and net surplus £36,664 (2020: £18,924). The Trustees ensure that adequate cash balances are held to meet liabilities, and that surplus funds are invested.

**Risk Management**

The Trustees regularly review the major risks which the charity faces and confirm that steps are taken where necessary to reduce those risks.

**Reserves Policy**

The Trustees aim to keep three months expenditure in free reserves.

**Recruitment and Appointment of New Trustees**

The trustees, whilst not having a formal recruitment policy, look for opportunities to appoint as trustees' people who would be of benefit to the charity.

**Responsibilities of the Trustees**

The Trustees (who are also directors of the Matrix Arts Centre) 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 the 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;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

**MATRIX ARTS CENTRE  
TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUATION)  
FOR THE YEAR ENDED 31 AUGUST 2021**

**Responsibilities of the Trustees (continued)**

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 2006. 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.

**Public benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the 2011 Charities Act to have due regard to public benefit guidance published by the Charity Commission.

The report has been prepared in accordance with section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Trustee Board on .....*29<sup>th</sup> April, 2022*

*S. M. Pinchin*

Dr S M Pinchin  
Trustee

**INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF  
MATRIX ARTS CENTRE**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2021 which are set out on pages 5 to 10.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

  
Caroline Webster FCA  
UHY Ross Brooke

Windrush Court  
Abingdon Business Park  
Abingdon  
OX14 1SY  
3.... May 2022

**MATRIX ARTS CENTRE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Restricted Funds 2021	Unrestricted Funds 2021	Total Funds 2021	Total Funds 2020
	£	£	£	£
<b>Income and expenditure</b>				
<b>Incoming Resources from charitable activities</b>				
Fees received	-	196,724	196,724	196,789
Concert sales	-	-	-	1,765
Sheet music sales	-	-	-	67
Room hire	-	6,233	6,233	7,143
Other income	-	15,797	15,797	1,459
Grant Income	-	-	-	-
<b>Total income</b>	<b>-</b>	<b>218,754</b>	<b>218,754</b>	<b>207,223</b>
<b>Expenditure on charitable activities:</b>				
<b>Staff</b>				
Teachers fees	-	104,435	104,435	93,238
Administration fees	-	13,010	13,010	15,337
<b>Premises</b>				
Premises expenses	-	12,191	12,191	13,868
Insurance	-	3,917	3,917	3,877
Sundry	-	2,703	2,703	3,546
Depreciation –Building	2,400	9,395	11,795	11,795
<b>Support costs</b>				
Exam fees and music expenses	-	18,856	18,856	31,406
Advertising	-	-	-	215
Printing, postage, stationery and telephone	-	1,526	1,526	1,601
Sundry	-	1,982	1,982	569
Insurance	-	300	300	300
Depreciation – Plant & machinery	-	6,186	6,186	6,057
Other interest payable	-	4,049	4,049	5,386
Independent examiners fees	-	1,140	1,140	1,104
<b>Total Resources Expended</b>	<b>2,400</b>	<b>179,690</b>	<b>182,090</b>	<b>188,299</b>
<b>Net Income for the year</b>	<b>(2400)</b>	<b>39,064</b>	<b>36,664</b>	<b>18,924</b>
Total funds brought forward	19,225	172,014	191,239	172,315
<b>Total funds carried forward</b>	<b>16,825</b>	<b>211,078</b>	<b>227,903</b>	<b>191,239</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**MATRIX ARTS CENTRE  
BALANCE SHEET  
AS AT 31 AUGUST 2021**

	Notes	2021		2020	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	3		304,463		322,444
<b>Current Assets</b>					
Cash at bank and in hand		89,363		109,131	
<b>Liabilities</b>					
Creditors -Amounts due within one year	4	(7,380)		(7,380)	
<b>Net Current Assets</b>			81,983		101,751
<b>Total Assets less Current liabilities</b>			386,486		424,195
<b>Creditors- Amounts falling due after more than one year</b>	4		(158,543)		(232,956)
<b>Net Assets</b>			<b>227,903</b>		<b>191,239</b>
<b>The Funds of the Charity</b>					
Unrestricted income funds	7		211,078		172,014
Restricted funds	7		16,825		19,225
<b>Total Charity Funds</b>			<b>227,903</b>		<b>191,239</b>

The notes on pages 7 to 10 form part of these accounts.

The directors are satisfied that the company was entitled to exemption under section 477 of the Companies Act 2006 and that members have not required an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

1. ensuring that the company keeps accounting records which comply with Section 386; and
2. preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

These financial statements were approved and authorised on 29th April 2022

**ON BEHALF OF THE TRUSTEES**

  
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 Dr S M Pinchin (Trustee)

**MATRIX ARTS CENTRE  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting Policies**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's accounts.

**(a) Basis of Accounting**

Matrix Arts Centre constitutes a public benefit as defined by FRS 102. The financial statements are prepared under the historical cost convention and in compliance with the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), and FRS 102 (Effective 1 January 2019), The Financial Reporting Standard, applicable in the UK and Republic of Ireland. The financial statements have been prepared on a going concern basis. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

**(b) Company Status**

Matrix Arts Centre is a company limited by guarantee (incorporated in England and Wales on the 11<sup>th</sup> June 1992). The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**(c) Tangible Fixed Assets and Depreciation**

Tangible fixed assets are capitalised at historic cost less depreciation which is calculated to write off the cost of fixed assets on a reducing basis over their estimated useful economic lives to their estimated residual values at the following rates:

Freehold buildings	- 1% on cost and 10% for extension
Office furniture	- 25% reducing balance
Motor vehicles	- 25% reducing balance.

Assets are reviewed annually for impairment. The charity has a de-minimis limits of £100 for the capitalisation of fixed assets.

**(d) Income**

All income resources are included in the statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received. The following specific policies are applied to the following categories of income:

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

**Grants** – Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that income will be received, and the amount can be measured reliably.

**Donated goods, facilities and services** – Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

**(e) Expenditure**

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

- Charitable expenditure – These are costs incurred on the charitable activities, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

**MATRIX ARTS CENTRE  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Resources expended are recognised in the year to which they relate. Irrecoverable VAT is included in the relevant heading.

**2. Fund Accounting**

Unrestricted funds are general funds that are available for use at the trustee's discretion in the furtherance of the objects of the charity. Designated funds are those earmarked by the trustees for use in a particular area or for specific areas.

**3. Fixed Assets**

	Freehold Land	Freehold Buildings £	Plant and Machinery £	Total £
<b>Cost:</b>				
At 1 September 2020	120,042	230,330	115,686	466,058
Additions	-	-	-	-
Disposals	-	-	-	-
<b>At 31 August 2021</b>	<b>120,042</b>	<b>230,330</b>	<b>115,686</b>	<b>466,058</b>
<b>Depreciation:</b>				
At 1 September 2020	-	46,100	97,514	143,614
Disposals	-	-	-	-
Charge in year	-	11,795	6,186	17,981
<b>At 31 August 2021</b>	<b>-</b>	<b>57,895</b>	<b>103,700</b>	<b>161,595</b>
<b>Net Book Value:</b>				
<b>At 31 August 2021</b>	<b>120,042</b>	<b>172,435</b>	<b>11,986</b>	<b>304,463</b>
<b>At 31 August 2020</b>	<b>120,042</b>	<b>184,230</b>	<b>18,172</b>	<b>322,444</b>

**4. Creditors – Amounts due within one year**

	2021 £	2020 £
Other creditors and accruals	7,380	7,380
	<b>7,380</b>	<b>7,380</b>

**Creditors – Amounts falling due after one Year**

	2021 £	2020 £
Other loans	158,543	232,956

There is a charge on borrowings held over the freehold land and buildings.

**MATRIX ARTS CENTRE  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

**5. Related Party Transactions**

No trustee received any remuneration or expenses during the year.  
The charity contracted self-employed teachers during the year.  
There are no employees earning over £60,000.

The charity has a loan from a related party, Lindsay MacKenzie ,the centre Manager. There is currently no repayment plan in place. At the year end the outstanding amount was £119,598 (2020: £187,482).

**6. Comparative 2020 Statement of Financial Activities**

	<b>Total Funds 2020</b>	<b>Total Funds 2019</b>
	<b>£</b>	<b>£</b>
<b>Incoming Resources from charitable activities</b>		
Fees received	196,789	201,231
Concert sales	1,765	5,259
Sheet music sales	67	-
Room hire	7,143	10,203
Other Income	1,459	1,912
Grant Income	-	13,000
<b>Total Income</b>	<b>207,223</b>	<b>231,605</b>
<b>Expenditure on charitable activities:</b>		
<b>Staff</b>		
Teachers fees	93,238	91,972
Administration fee	15,337	17,738
<b>Premises</b>		
Rent and rates	13,868	19,911
Insurance	3,877	3,567
Sundry	3,546	3,474
Depreciation – land and building	11,795	11,795
<b>Support costs</b>		
Exam fees and music expenses	31,406	40,728
Advertising	215	819
Printing, postage, stationery and telephone	1,601	4,306
Sundry	569	3,717
Insurance	300	300
Depreciation –plant and machinery	6,057	4,373
	5,386	
Other interest payable	1,104	6,875
Professional Fees	-	1,080
<b>Total Resources Expended</b>	<b>188,299</b>	<b>210,655</b>
<b>Net Income for year</b>	<b>18,924</b>	<b>20,950</b>
Total funds brought forward	172,315	151,365
<b>Total funds carried forward</b>	<b>191,239</b>	<b>172,315</b>

**MATRIX ARTS CENTRE  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

**7. Analysis of net assets between funds**

	Restricted	Unrestricted Funds	Total 2020
Tangible Fixed assets	16,825	287,638	304,463
Current Assets	-	89,364	89,364
Liabilities	-	(165,923)	(165,923)
Net assets at 31 August 2021	<u>16,825</u>	<u>211,078</u>	<u>227,903</u>

The restricted fund relates to grants amounting to £26,000 for the new extension in 2018. The fund is being written off over the period over which the extension is being depreciated.