

Charity registration number 1090556

Company registration number 04202335 (England and Wales)

**MUSIC FOR LIFE ACADEMY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

MUSIC FOR LIFE ACADEMY

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Mr R Barnett Ms S Nelson Mr R Hunter
Secretary	Miss O Meekin
Charity number	1090556
Company number	04202335
Principal address	Blaris Industrial Estate Unit 2 24 Altona Road Lisburn Antrim BT27 5QB
Registered office	59-60 Russell Square London England WC1B 4HP
Auditor	GMcG LISBURN Century House 40 Crescent Business Park Lisburn BT28 2GN
Bankers	Danske Bank Donegall Square West Belfast BT1 6JS
Solicitors	Bishop & Sewell LLP Solicitors 59-60 Russell Square London WC1B 4HB

MUSIC FOR LIFE ACADEMY

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MUSIC FOR LIFE ACADEMY

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

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 charity's Memorandum and Articles of Association, 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)" (as amended for accounting periods commencing from 1 January 2019)

Objectives and activities

The charity's objects are:

- a) to provide, arrange and pay for the education and training of persons with an emphasis towards musical composition performance and dance as an expression of life and culture;
- b) to develop, fund, administer, facilitate, promote, operate and carry on activities and facilities which will provide relief and/or education to persons in needy circumstances; and
- c) to pursue in any part of the world other charitable purposes benefiting peoples or communities as the trustees of the charity may determine.

We will do this by:

- a) Providing for their long term well being and educational needs to become leading contributors to the 'New Africa';
- b) Instilling ethical and moral principles through teaching and leading example; and
- c) Serving as an advocate of the beauty and dignity of the African child around the world.

We have supported our objectives by:

- a) Supporting our Field programmes in South Africa, Kenya, Rwanda and Uganda through Direct Grants and field expenses paid directly by the UK Office. The various African Offices provide monthly budgets and this is funded by our restricted sponsorship and appeal revenue and any surplus from our concert revenue from the African Children's Choir tours.
- b) Supporting our Choir programme which meet the costs of Choir selection and training in Africa, travel costs, medical, educational and living costs for the Choir children touring in the UK and Europe.
- c) Supporting Choir Chaperones through their BPS (Building Personal Support) Funds.
- d) Providing Office Support Costs of our Choir and African Operations.

The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

In 2021-2022, Music for Life Academy continued to provide educational programmes for many hundreds of children in Africa. Thousands of children receive assistance through sponsorship programmes in Kenya, Uganda and South Africa.

The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Choir/other activities

- Given continuing Covid restrictions, we were unable to host an African Children's Choir Tour during the year.
- Focused on improving education of mission and fundraising via ACC Website completed July 2021
- Fundraising efforts included: 'More than Music' Campaign utilising Social Media, Kittball (German Musical Producer) continued their fundraising efforts utilising ACC's "It Began in Africa" album and three targeted postal mailing appeals.
- Choir Training Academy at our African Children's Choir Primary School in Uganda suspended from March 2020.

MUSIC FOR LIFE ACADEMY

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Field Activities:

Kenya

- From the start of 2021 students were able to attend School and College in person and Kindergartens and MFL Centres resumed.
- Started scholarship programme enabling six graduates from Primary Sponsorship programme to attend Secondary School.
- Moved offices to reduce running costs.

Uganda

- 2021 was another challenging year due to Covid but able to support students at home through phone calls and mentors, workbooks provided, food parcels etc. The primary teachers visited students in local centres to support them. We were able to ensure all students at Empower International Academy had access to mobile phones/tablets and began to deliver lessons via Google classroom. Schools fully reopened in January 2022.
- At the African Children's Choir Primary School completed toilet block at top end of classrooms, providing staff bathrooms and additional toilet facilities for boys and girls. Also, worked with community to improve the road.
- Outreach Programmes in local schools able to resume in January 2022. Our university students currently working in five local schools in impoverished communities.

South Africa

- Seven students in final year of Secondary School, as well as twenty-five College/University students involved in distance learning until late 2021, when they resumed in person learning.
- In regular contact with all students providing additional food assistance, transport, school fees and uniforms.
- In the Spring of 2022 assisted with seven graduations from three universities, with students having studied: Public Management, Legal studies, HR, Office & Technical Management, Teaching and Development Studies.

Financial review

The charity's trading subsidiary, Music for Life Records Limited reported a turnover of £7,213 (2021 - £4,334).

The results for the year are set out on 11 to 25. The charity returned net outgoing resources of £7,185 (2021 - net incoming resources of £14,590) of which there were net outgoing unrestricted resources of £6,817 (2021 - net incoming resources of £29,931) and net outgoing restricted resources of £368 (2021 - net outgoing restricted resources of £15,341).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors considers 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. This level of reserves has been maintained throughout the year.

The directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

MUSIC FOR LIFE ACADEMY

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The charity has the following plans for future periods:

- A Fashion Show Fundraiser is scheduled for next year.
- Charity place runner, Arturo Chayet, is due to complete London Marathon. October 2022
- Take care of students in our programmes.
- Planning to finalise sale of property at Three Rivers. Approximately two-thirds of sale amount has been paid, pressing for final third to complete sale.
- Discussions to take place for longer term plan for UK mission focus and strategies. To review make up of Board of Directors and personnel needed for mission.
- Construction of Phase Two (a second set of dorms and remainder of classroom block) to begin at Empower International Academy.
- Continuing to pursue affiliation with Cambridge and ACSI for EIA.
- Plan to extend Mentorship Programme in next year.

Structure, governance and management

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

The directors who served during the year and up to the date of signature of the financial statements were:

Mr R Barnett
Ms S Nelson
Mr R Hunter

The directors are appointed at the annual general meeting of the company's members and retire by rotation. The directors may at any time co-opt any person as an additional director until the next annual general meeting.

Day-to-day management decisions are made by the International Executive Team. Being an organisation with a presence in the UK, Canada, USA, Uganda, Kenya, Sudan and South Africa, the team is made up of a leadership team overseeing the Choir, African and Administrative operations. This team of people meets weekly by conference call or Skype and also face-to-face annually or biannually for more in-depth planning and strategy. This same group prepares policies and procedures that are used throughout the organisation and present them to the Board for approval before implementation. The trustees are responsible for approving general budgets, approving policies and procedures, major purchases and major new directions in the organisation.

Related parties of the charity include its trustees and a number of other companies under common control with Music for Life Academy: Music for Life Institute, Music for Life Records Limited and Friends in the West International.

MUSIC FOR LIFE ACADEMY

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Statement of director's responsibilities

The directors, are responsible for preparing the Director's 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 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 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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.

Auditor

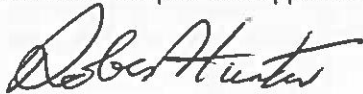
In accordance with the company's articles, a resolution proposing that GMcG LISBURN be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provision applicable to companies entitled to the small companies exemption.

The director's report was approved by the Board of Directors.



Mr R Hunter
Director

Dated: 12 December 2022

MUSIC FOR LIFE ACADEMY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MUSIC FOR LIFE ACADEMY

Opinion

We have audited the financial statements of Music for Life Academy (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2022 and of its 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; 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 charity 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

MUSIC FOR LIFE ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MUSIC FOR LIFE ACADEMY

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 directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the director's report, prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the director's report.

We have nothing to report in respect of the following matters in relation to which the 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 directors 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 director's report and from the requirement to prepare a strategic report.

MUSIC FOR LIFE ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MUSIC FOR LIFE ACADEMY

Responsibilities of directors

As explained more fully in the statement of director's responsibilities, the directors 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 directors 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 directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

MUSIC FOR LIFE ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MUSIC FOR LIFE ACADEMY

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing potential risks of material misstatement in respect of irregularities, including fraud and non-compliances with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance, including the company's remuneration policies for directors, bonus levels and performance targets, if any;
- Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instance of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the charitable company for fraud and identified the greatest potential for fraud in revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

MUSIC FOR LIFE ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MUSIC FOR LIFE ACADEMY

Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with tax authorities; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

MUSIC FOR LIFE ACADEMY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MUSIC FOR LIFE ACADEMY

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state 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 the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Stephen Houston FCA (Senior Statutory Auditor)
for and on behalf of GMcG LISBURN

Chartered Accountants
Statutory Auditor

12/12/22
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Century House
40 Crescent Business Park
Lisburn
BT28 2GN

MUSIC FOR LIFE ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Charitable activities	3	94,090	97,936	192,026	111,858	99,566	211,424
Investments	4	5,624	-	5,624	2,347	-	2,347
Total income		99,714	97,936	197,650	114,205	99,566	213,771
Expenditure on:							
Charitable activities	5	50,908	153,927	204,835	58,774	140,407	199,181
Net incoming/(outgoing) resources before transfers		48,806	(55,991)	(7,185)	55,431	(40,841)	14,590
Gross transfers between funds	11	(55,623)	55,623	-	(25,500)	25,500	-
Net (expenditure)/income for the year/ Net movement in funds		(6,817)	(368)	(7,185)	29,931	(15,341)	14,590
Fund balances at 1 April 2021		203,887	368	204,255	173,956	15,709	189,665
Fund balances at 31 March 2022		197,070	-	197,070	203,887	368	204,255

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.

MUSIC FOR LIFE ACADEMY

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		2,609		2,430
Investments	13		1		1
			<u>2,610</u>		<u>2,431</u>
Current assets					
Debtors	14	48,189		58,095	
Cash at bank and in hand		185,574		226,653	
		<u>233,763</u>		<u>284,748</u>	
Creditors: amounts falling due within one year	15	<u>(39,303)</u>		<u>(37,091)</u>	
Net current assets			<u>194,460</u>		<u>247,657</u>
Total assets less current liabilities			<u>197,070</u>		<u>250,088</u>
Creditors: amounts falling due after more than one year	16		-		(45,833)
Net assets			<u><u>197,070</u></u>		<u><u>204,255</u></u>
Income funds					
Restricted funds	18		-		368
Unrestricted funds			197,070		203,887
			<u>197,070</u>		<u>204,255</u>

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 Directors and authorised for issue on 12/12/2022 are signed on its behalf by:



Mr R Hunter
Trustee

Company Registration No. 04202335

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Music for Life Academy is a private company limited by guarantee incorporated in England and Wales. The registered office is 59-60 Russell Square, London, WC1B 4HP, England. The business address is Blaris Industrial Estate, Unit 2, 24 Altona Road, Lisburn, Co Antrim, BT27 5QB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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.

These financial statement contain information about the individual charitable company, Music for Life Academy only. Music for Life Academy and its subsidiary company, Music for Life Records Limited, comprise a small group and as such Music for Life Academy is exempt from preparing consolidated accounts under Company legislation. The directors have taken advantage of the provisions with SORP FRS 102 and UK Generally Accepted Accounting Practice not to prepare consolidated accounts on the basis that the only subsidiary undertaking of the charitable company is not considered to be material for the purpose of the financial statements giving a true and fair view.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity 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 charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support and governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and any other fees linked to the strategic management of the charity. Support and governance costs have been allocated to charitable activities based on a percentage of restricted income.

1.6 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:

Computer equipment	33% straight line
Fixtures and fittings	15% reducing balance

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 the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

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 and bank loans 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors 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.

Key sources of estimation uncertainty

Fixed Assets

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of assets and estimates of residual values. The directors regularly review these assets lives and change them as necessary to reflect the current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation charges for the period. Detail of the useful lives is included in the accounting policies.

Restricted and unrestricted funds

Judgements are made in relation to allocation of income and expenditure to restricted and unrestricted funds. The directors consider it appropriate to allocate these funds based on donations received.

MUSIC FOR LIFE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

3 Charitable activities	Field GB Appeals Programmes 2022		Total 2022		Field Programmes 2021		BPS GB Appeals & General 2021		Total 2021	
	£	£	£	£	£	£	£	£	£	£
Donations within charitable activities	181,536	565	182,101		189,511		1,038		190,849	
CJRS grant income	9,925	-	9,925		14,982		78		20,575	
	<u>191,461</u>	<u>565</u>	<u>192,026</u>		<u>204,493</u>		<u>1,116</u>		<u>211,424</u>	
Analysis by fund										
Unrestricted funds	94,090	-	94,090		107,480		1,086		111,858	
Restricted funds	97,371	565	97,936		97,013		30		99,566	
	<u>191,461</u>	<u>565</u>	<u>192,026</u>		<u>204,493</u>		<u>1,116</u>		<u>211,424</u>	

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Gift Aid - Music for Life Records Limited	5,472	2,154
Interest receivable	152	193
	<u>5,624</u>	<u>2,347</u>
	<u><u>5,624</u></u>	<u><u>2,347</u></u>

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Charitable activities	Field	BPS GB Appeals &		Total	Field	BPS GB Appeals		Total
	Programmes	2022	General	2022	Programmes	2021	& General	2021
	£	£	£	£	£	£	£	£
Staff costs	102,768	-	-	102,768	102,267	192	7,254	109,713
Depreciation and impairment	635	4	-	639	425	4	-	429
Direct Costs	64,493	-	1,573	66,066	54,306	-	303	54,609
	<u>167,896</u>	<u>4</u>	<u>1,573</u>	<u>169,473</u>	<u>156,998</u>	<u>196</u>	<u>7,557</u>	<u>164,751</u>
Share of support costs (see note 7)	25,096	560	2,695	28,351	23,400	236	4,552	28,188
Share of governance costs (see note 7)	7,011	-	-	7,011	6,180	62	-	6,242
	<u>200,003</u>	<u>564</u>	<u>4,268</u>	<u>204,835</u>	<u>186,578</u>	<u>494</u>	<u>12,109</u>	<u>199,181</u>
Analysis by fund								
Unrestricted funds	47,649	564	2,695	50,908	48,919	494	9,361	58,774
Restricted funds	152,354	-	1,573	153,927	137,659	-	2,748	140,407
	<u>200,003</u>	<u>564</u>	<u>4,268</u>	<u>204,835</u>	<u>186,578</u>	<u>494</u>	<u>12,109</u>	<u>199,181</u>

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Description of charitable activities

Field Programmes

The funding of various programmes in South Africa, Kenya and Uganda.

General sponsorship

Supporting general choir activities.

BPS

Supporting Choir Chaperones.

GB Appeals & General

Providing office support costs for choir and African operations.

Choir & Tour

Supporting the choir programme which includes choir selection and training in Africa, travel costs, medical, educational and living costs for the choir children touring in the UK and Europe.

7 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Rent	5,320	-	5,320	5,040	5,040
Insurance	193	-	193	776	776
Light and Heat	1,843	-	1,843	1,112	1,112
Repairs	244	-	244	813	813
Postage and stationery	9,629	-	9,629	11,409	11,409
Telephone and IT	6,852	-	6,852	4,695	4,695
Motor Expenses	203	-	203	370	370
Travelling Expenses	214	-	214	51	51
Professional services	390	-	390	-	-
Sundry expenses	756	-	756	1,622	1,622
Subscriptions	1,451	-	1,451	955	955
Bank Charges	1,256	-	1,256	1,345	1,345
Audit fees	-	5,400	5,400	-	5,400
Legal and professional	-	1,611	1,611	-	842
	<u>28,351</u>	<u>7,011</u>	<u>35,362</u>	<u>28,188</u>	<u>34,430</u>
Analysed between					
Charitable activities	<u>28,351</u>	<u>7,011</u>	<u>35,362</u>	<u>28,188</u>	<u>34,430</u>

Governance costs includes payments to the auditors of £5,400 (2021- £5,400) for audit fees.

8 Directors

None of the directors (or any persons connected with them) received any remuneration or benefits from the charity during the year.

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	3	3
Sponsorship	1	1
	<u>4</u>	<u>4</u>

Employment costs

	2022 £	2021 £
Wages and salaries	94,356	101,410
Social security costs	4,833	4,731
Other pension costs	3,579	3,572
	<u>102,768</u>	<u>109,713</u>

The total employment benefits including employer pension contributions of the key management personnel were £52,191 (2021 - £49,881).

There were no employees whose annual remuneration was £60,000 or more.

10 Taxation

As a charity the company is not liable to corporation tax.

11 Transfers

Transfers made from unrestricted fund to the restricted funds were to cover resources expended in excess of funds received in relation to some projects.

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

	Computer equipment £	Fixtures and fittings £	Total £
Cost			
At 1 April 2021	3,731	15,866	19,597
Additions	818	-	818
At 31 March 2022	4,549	15,866	20,415
Depreciation and impairment			
At 1 April 2021	3,731	13,435	17,166
Depreciation charged in the year	270	369	639
At 31 March 2022	4,001	13,804	17,805
Carrying amount			
At 31 March 2022	548	2,062	2,610
At 31 March 2021	-	2,430	2,430

13 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2021 & 31 March 2022		1
Carrying amount		
At 31 March 2022		1
At 31 March 2021		1
Other investments comprise:	Notes	2022 £
Investments in subsidiaries	21	1
		2021 £
		1

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Debtors		2022	2021
		£	£
Amounts falling due within one year:			
Amounts owed by subsidiary undertakings		3,600	5,914
Other debtors		43,642	51,481
Prepayments and accrued income		947	700
		<u>48,189</u>	<u>58,095</u>
		<u><u>48,189</u></u>	<u><u>58,095</u></u>
15 Creditors: amounts falling due within one year		2022	2021
	Notes	£	£
Bank loans	17	-	4,167
Other taxation and social security		2,219	2,377
Trade creditors		7,760	9,131
Other creditors		20,476	12,898
Accruals and deferred income		8,848	8,518
		<u>39,303</u>	<u>37,091</u>
		<u><u>39,303</u></u>	<u><u>37,091</u></u>
16 Creditors: amounts falling due after more than one year		2022	2021
	Notes	£	£
Bank loans	17	-	45,833
		<u>-</u>	<u>45,833</u>
		<u><u>-</u></u>	<u><u>45,833</u></u>
17 Loans and overdrafts		2022	2021
		£	£
Bank loans		-	50,000
		<u>-</u>	<u>50,000</u>
		<u><u>-</u></u>	<u><u>50,000</u></u>
Payable within one year		-	4,167
Payable after one year		-	45,833
		<u>-</u>	<u>45,833</u>
		<u><u>-</u></u>	<u><u>45,833</u></u>

MUSIC FOR LIFE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020		Movement in funds			Movement in funds			Balance at 31 March 2022		
	£	£	Incoming resources	Resources expended	Transfers	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	£	£
Field Programmes	8,236		97,013	(137,659)	32,442	32	97,371	(152,354)	54,951	-	-
BPS	6,912		30	-	(6,942)	-	-	-	-	-	-
GB Appeals and General	561		2,523	(2,748)	-	336	565	(1,573)	672	-	-
	<u>15,709</u>		<u>99,566</u>	<u>(140,407)</u>	<u>25,500</u>	<u>368</u>	<u>97,936</u>	<u>(153,927)</u>	<u>55,623</u>	<u>-</u>	<u>-</u>

The above projects represent donations received from individuals who have specified that the funds be used for a specific project. Note 6 details description of the various charitable activities undertaken.

MUSIC FOR LIFE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	2,609	-	2,609	2,430	-	2,430
Investments	1	-	1	1	-	1
Current assets/(liabilities)	194,460	-	194,460	247,289	368	247,657
Long term liabilities	-	-	-	(45,833)	-	(45,833)
	<u>197,070</u>	<u>-</u>	<u>197,070</u>	<u>203,887</u>	<u>368</u>	<u>204,255</u>

20 Related party transactions

Subsidiary

During the year the charity recognised donations of £5,472 (2021 - £2,154) from its subsidiary, Music for Life Records Limited. At the balance sheet date an amount of £3,600 (2021 - £5,914) was due from Music for Life Records Limited.

Other charities under common control

The following charities are related to Music for Life Academy by virtue of common control. Transactions during the year and balances due to or from them are as follows:

Friends in the West International (FITWI)

As at the balance sheet date an amount of £19,339 (2021 - £24,757) was due from FITWI.

21 Subsidiaries

Details of the charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Music for Life Records Limited	England	Retail of African Children's Choir merchandise	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Music for Life Records Limited	-	-