REGISTERED CHARITY NUMBER: 313755

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

FOR

BENSLOW MUSIC INSTRUMENT LOAN SCHEME

BENSLOW MUSIC INSTRUMENT LOAN SCHEME

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BENSLOW MUSIC INSTRUMENT LOAN SCHEME

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

The corporate trustee presents its report with the financial statements of the charity for the year ended 31 December 2025. The trustee has adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Benslow Music Instrument Loan Scheme's charitable objects, as set out in its governing document, are 'to lend good quality instruments to promising young music students who are unable to afford or obtain a suitable instrument of their own'.

Main activities

The charity achieves its objectives principally through a rolling programme of loaning instruments to young musicians (aged 7-25). This incorporates maintaining a collection of around 1,500 instruments, mainly string instruments as well as a smaller number of harps, woodwind and brass instruments. Where appropriate, bursaries are made available to borrowers whose families otherwise may not be able to meet the loan fees.

Additionally, the charity offers a programme for senior borrowers, offering young musicians an extended loan to age 30 as they navigate the financial and logistical difficulties faced by young professional musicians. The organisation also produces a small number of concerts at Benslow Music to showcase current and alumni instrument borrowers.

Public benefit

The Trustee confirms that it has complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Public benefit is derived from the programme of instruments loans, which is managed through open applications. As families continue to face pressure on finances, and there are ongoing funding challenges in music education, access to low-cost, high-quality instruments can have a significant beneficial impact on young musicians' development. The charity continues to offer bursaries to borrowers from lower socio-economic backgrounds to broaden the reach of its activity and benefit.

ACHIEVEMENTS AND PERFORMANCE

Achievement and performance

2025 was a period of growth for the Scheme. This year saw an increase in the number of young people borrowing an instruments, with 538 and at the beginning of the year, and 555 at the end of December, exceeding our target of 550. The change in beneficiary numbers included 110 new borrowers joining and 92 borrowers leaving the Scheme. Across the year the scheme awarded bursaries to 76 borrowers, offering from 20% off the cost of loaning an instrument from the scheme to young people from families with a total household income of less that £60,000.

During the year the Scheme also acquired 77 new instruments and 61 bows via donations, purchases and loans (69 donations, 1 purchase and 68 loans). 84 instruments were also withdrawn during the year, making a net gain of 54 to the Scheme's collection. The instruments added to the scheme included some high-quality cellos purchased with the remaining funds of a generous donation for this purpose.

In April 2025, the scheme hosted an Open Day at the Benslow Music campus to celebrate its work, welcoming around 120 current and prospective borrowers and lenders of instruments. The programme compromised a series of talks, workshops and drop-in sessions in partnership with the British Violin Making Association and culminated in a concert at Hitchin Town Hall given by current borrowers conducted by Howard Williams.

The Scheme continued to look at its business systems and processes, work that had begun in 2024. A new instrument database and customer relationship management system was launched along with a renewal of offline systems that have resulted in efficiencies for the Scheme and will mean that a greater number of appointments can be offered going forward. Further complimenting this was a Transformation Programme across the Benslow Music group which more closely aligns the operations of the entities for further financial and operational savings.

Opportunities were given to current and former borrowers to perform as part of Benslow Music's afternoon recital series. Performers included the Krius Quartet and Sebastian Williams Trio and provided an opportunity to showcase the work of the Scheme to local audiences.

Fundraising performance
Donations and grants for the year totalled £51,128, a decrease of 39% from 2024. This included £3,930 through the Friends of BMILS giving scheme, £9,198 in general donations, £10,000 from Clive Garner Memorial Trust, legacies of £23,000, and grant from the Scops Arts Trust of £5,000, the third of a three-year arrangement towards the Scheme's bursary fund.

FINANCIAL REVIEW
Financial position
Income and Expenditure
The result for the year was an overall surplus of £155,567 on the Scheme's unrestricted funds. Within this there was an operational position (excluding voluntary and in-kind income and bursaries allocated) of £11,200 deficit.

The budget approved by the Governors was prepared on the basis of a £15,700 operational surplus on the year. This assumed that the scheme would continue to attract a similar number of borrowers to 2024 and that borrowing fees would remain at current levels. While this was the case,a review of and changes to operational systems for managing instruments loans have necessitated changes in when income is recognised resulting in a lower level of income being reported in 2025.

Analysis of income source	**2025**		**2024**	
Instrument loan fees	£192,896	43%	£192,042	37%
Income in kind*	£176,377	39%	£225,080	43%
Voluntary income	£51,128	11%	£84,033	16%
Instrument sales	£16,239	4%	£4,000	1%
Bank & Investment income	£13,888	3%	£14,184	3%
Miscellaneous income**	£nil	0%	£6,350	1%
	£450,528		£525,689	

* Income in kind represents the value of instruments donated to the Scheme.
** Miscellaneous income represents income from sources such as insurance claims.

Expenditure across the year was against cost running the Scheme, including the maintenance and care of the instrument collection and the allocation of bursaries to individuals from lower socio-economic backgrounds. The amount spent on bursaries in 2025 was £21,000, an decrease of 30% on 2024. All of this activity is in service of the charitable objectives.

The monthly budget process, including cash flow reports, continued to be used to inform managers, Governors and the Trustee of the latest financial position. The Trustee maintains a strong financial policy and robust financial controls to comply with latest guidance from the Charity Commission.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL REVIEW

Reserves policy

The reserves policy of the Scheme is to build and maintain equivalent to six months of operating expenditure as a minimum secure level. This is held to ensure long term security for the Scheme in the event of future deficits, or unexpected events that result in loss of income.

The unrestricted reserve funds at year end were £3,625,793. Of this, £3,348,739 is held as tangible assets, including the leasehold on the Scheme's office and workshop (Aston Building), musical instruments cases and office equipment, as well as the musical instrument collection held as a designated Musical Instrument Fund (£2,766,887).

After taking into account funds held as restricted, designated and fixed assets, the Scheme holds £277,054 of free reserves, exceeding its target by 119%. The surplus in reserves will be reinvested into the development and maintenance of the instrument collection.

Going concern

The Trustee considers that it is appropriate to prepare the accounts on a going concern basis. The Scheme's reserves are at an appropriate level, and the growth in number of loans from 2024 to 2025 demonstrates that there is still demand for the Scheme's activities.

FUTURE PLANS

The Scheme's plans for 2026 will focus on embedding the systems implemented in 2025 alongside a new management team, while also aiming to steadily increase borrower numbers.

Continued development of the instrument collection remains a priority, with plans to invest in both full size and fractional sized instruments, driven by current demand. In addition, further enhancement of the Scheme's woodwind collection is expected.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Benslow Music Instrument Loan Scheme is an unincorporated trust registered as a charity, with Benslow Music Trust as its sole corporate trustee. It is governed by a Trust Deed, most recently amended in June 2022.

The trustees of Benslow Music Trust appoint a Committee of Governors annually. The membership of the committee must contain a majority of Benslow Music Trust trustees. Additional Governors may be appointed from beyond the trustee body and are not required to be members of Benslow Music Trust. Benslow Music Trust appoint the Chair of the Governers Committee, who must be a trustee of Benslow Music Trust.

Benslow Music Trust retains ultimate responsibility for the Scheme, including policy setting and risk management, with Governors being delegated the responsibility for overseeing strategic direction, ensuring all activity supports the Scheme's objectives, some elements of risk management, and financial oversight.

Benslow Music Trust appoints senior staff led by the Chief Executive of Benslow Music Trust. The Head of Programmes of Benslow Music Trust oversees the day-to-day operation of the Scheme, supported by a small team and other Benslow Music Trust staff in communications, fundraising, estates and financial management.

All Governors give their time voluntarily and receive no remuneration other than reasonable expenses to enable their participation as Governor. No expenses were paid to Governors in 2025.

Key management remuneration

The remuneration of all members of staff is reviewed annually by Benslow Music Trust's board of trustees, following report from its Remuneration Committee. Staff are appraised annually by line managers; their recommendations are considered alongside details of movement in standard indices prepared by the Office of National Statistics including CPI, CPIH, RPI, National Living Wage and average earnings.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

Benslow Music Trust (Registered Charity No. 313663) took on responsibility for the Scheme as its sole corporate trustee when it incorporated in 1986. The Scheme is operationally integrated with the Trust and has premises on the Benslow Music campus. It pays an annual management charge to Benslow Music Trust for the cost of utilities, services and staff time.

The Scheme is part of a group operating as Benslow Music. Alongside Benslow Music Trust this includes Benslow Music Enterprises Limited (Registered Company 10967344), a wholly owned subsidiary which manages Benslow Music Trust's non-charitable trading activity.

Risk management

In its duty to manage the Scheme's exposure to risk, the Trustee annually reviews its risk management policy and regular review key risks, maintaining a risk register. The senior management team support in developing plans and control measures to provide reasonable mitigation.

As the UK continues to face a challenges to the cost of living, the principal risk to the scheme is diminishing demand for its services as families face increasing financial pressures. This has been accounted for by raising the threshold for bursaries to ensure that the Scheme remains accessible to individuals from varying socio-economic backgrounds.

REFERENCE AND ADMINISTRATIVE DETAILS

Name Benslow Music Instrument Loan Scheme

Registered Charity 313755

Principal address Benslow Music, Benslow Lane, Hitchin, SG4 9RB

Trustee Benslow Music Trust (Registered Company Number: 408404) (Registered Charity Number: 313663)

Benslow Music Trust Board of Trustees at 31 December 2025
Colin Bates
Ellen Falconer
Tim Gillott (Vice-Chair)
Norma King (until 20 January 2026)
Heidi Malaure (Chair)
Alessandra Mongiardino
Gwen Owen Robinson (resigned 31 March 2026)
Alan Sheppard
Bhagwant Singh (Honorary Treasurer)
Michael Taylor (Vice-Chair)

Mark Bowen (Honorary Secretary) (resigned 31 March 2026)

Governors of Loan Scheme
Ellen Falconer (appointed 25 October 2025)
Rosalind Hedley-Miller
Norma King (until 20 January 2026)
Joely Koos
Gwen Owen Robinson (resigned 25 October 2025)
Alan Sheppard
Sandra Saunders
Michael Taylor (Chair)

Senior Staff
Chief Executive: Michael Duffy
Head of BMILS: Nick Evans-Pughe (until February 2026)

Auditors Bradshaw Johnson Chartered Accountants Statutory Auditor, Croft Chambers, 11 Bancroft, Hitchin, Hertfordshire, SG5 1JQ

Bankers Barclays Bank plc, 5/6 High Street, Hitchin, SG5 1BJ

Financial Advisers CCLA Investment Management Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Approved by order of the board of trustees on 28 May 2026 and signed on its behalf by:

Trustee – H Malaure on behalf of Benslow Music Trust

BENSLOW MUSIC INSTRUMENT LOAN SCHEME

TRUSTEES' RESPONSIBILITY STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under charity law the trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and The Charity (Accounts and Reports) Regulations 2008. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF BENSLOW MUSIC INSTRUMENT LOAN SCHEME

Opinion
We have audited the financial statements of Benslow Music Instrument Loan Scheme (the 'charity') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:
- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of 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 Auditors' 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 trustees' 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 trustees with respect to going concern are described in the relevant sections of this report.

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 Report of the Independent Auditors 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.

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 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:
- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which 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 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the Charity's industry and its control environment, and reviewed the Charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Charity operates in, and identified the key laws and regulations that:
- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Charity Commission; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:
- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

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. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bradshaw Johnson
Chartered Accountants
Statutory Auditor
Croft Chambers
11 Bancroft
Hitchin
Hertfordshire
SG5 1JQ

11 August 2026

BENSLOW MUSIC INSTRUMENT LOAN SCHEME

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	233,744	10,000	243,744	313,113
Other trading activities	3	13,888	-	13,888	14,184
Other income		192,896	-	192,896	198,392
Total		440,528	10,000	450,528	525,689
EXPENDITURE ON					
Charitable activities	4				
Benslow Musical Instrument Loan Scheme		230,735	22,586	253,321	283,863
Net gains/(losses) on investments		(23,378)	(18,262)	(41,640)	335,911
NET INCOME/(EXPENDITURE)		186,415	(30,848)	155,567	577,737
RECONCILIATION OF FUNDS					
Total funds brought forward		3,439,378	94,398	3,533,776	2,956,039
TOTAL FUNDS CARRIED FORWARD		3,625,793	63,550	3,689,343	3,533,776

The notes form part of these financial statements

BENSLOW MUSIC INSTRUMENT LOAN SCHEME

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2025

	Notes	Unrestricted funds £	Restricted funds £	31.12.25 Total funds £	31.12.24 Total funds £
FIXED ASSETS					
Tangible assets	8	3,348,739	-	3,348,739	3,187,957
CURRENT ASSETS					
Debtors	9	104,003	-	104,003	79,349
Cash at bank		314,732	63,550	378,282	387,946
		418,735	63,550	482,285	467,295
CREDITORS					
Amounts falling due within one year	10	(141,681)	-	(141,681)	(121,476)
NET CURRENT ASSETS		277,054	63,550	340,604	345,819
TOTAL ASSETS LESS CURRENT LIABILITIES		3,625,793	63,550	3,689,343	3,533,776
NET ASSETS		3,625,793	63,550	3,689,343	3,533,776
FUNDS	11				
Unrestricted funds:					
General fund				858,906	862,729
Designated fund - Musical Instruments				2,766,887	2,576,649
				3,625,793	3,439,378
Restricted funds:					
Aston Development Fund				53,550	76,136
Parker Instrument Fund				-	18,262
Clive Garner Memorial Trust				10,000	-
				63,550	94,398
TOTAL FUNDS				3,689,343	3,533,776

The financial statements were approved by the Board of Trustees and authorised for issue on 28 May 2026 and were signed on its behalf by:

Trustee – H Malaure on behalf of Benslow Music Trust

The notes form part of these financial statements

BENSLOW MUSIC INSTRUMENT LOAN SCHEME

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	31.12.25 £	31.12.24 £
Cash flows from operating activities			
Cash generated from operations	1	191,456	288,755
Net cash provided by operating activities		191,456	288,755
Cash flows from investing activities			
Purchase of tangible fixed assets		(198,327)	(316,542)
Sale of tangible fixed assets		22,608	16,048
Sale of heritage assets		16,239	(5,148)
Sale of fixed asset investments		(41,640)	-
Net cash used in investing activities		(201,120)	(305,642)
Change in cash and cash equivalents in the reporting period		(9,664)	(16,887)
Cash and cash equivalents at the beginning of the reporting period		387,946	404,833
Cash and cash equivalents at the end of the reporting period		378,282	387,946

The notes form part of these financial statements

BENSLOW MUSIC INSTRUMENT LOAN SCHEME

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.25 £	31.12.24 £
Net income for the reporting period (as per the Statement of Financial Activities)	155,567	577,737
Adjustments for:		
Depreciation charges	14,937	15,232
Losses/(gain) on investments	41,640	(335,911)
(Profit)/loss on disposal of fixed assets	(16,239)	5,148
(Increase)/decrease in debtors	(24,654)	6,289
Increase in creditors	20,205	20,260
Net cash provided by operations	191,456	288,755

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.25 £	Cash flow £	At 31.12.25 £
Net cash			
Cash at bank	387,946	(9,664)	378,282
	387,946	(9,664)	378,282
Total	387,946	(9,664)	378,282

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Benslow Musical Instrument Loan Scheme meets the definition of a public benefit entity under FRS 102.

Income
Income is included in the Statement of Financial Activities when:
- the Scheme becomes entitled to the donation, legacy or similar income and any conditions for receipt are met;
- the Scheme is virtually certain that it will receive it; and
- the Scheme is reasonably certain that the value can be reliably measured.

Donated instruments are included in the accounts in the year in which the instrument is received. The Scheme's policy is only to dispose of instruments where they are unsuitable for the Scheme's objectives.

Income from tax claims is included in the accounts at the same time as the gift to which it relates. Income from legacies is included when the Scheme has been notified of an impending distribution or the legacy being received.

Administration charges (from lending instruments) represent amounts invoiced in the year for the rental of musical instruments.

All income is stated gross and is wholly derived in the United Kingdom.

Expenditure
Expenditure is recognised in the year in which it is incurred.

Charitable expenditure comprises those costs incurred by the Scheme 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 to support them. This includes those incurred in connection with administration of the Scheme and compliance with constitutional and statutory requirements.

Tangible fixed assets
Fixed assets are stated at cost less accumulated depreciation. Minor additions of less than £50 are not capitalised.

Musical Instruments donated to the Scheme are initially valued professionally and included on that basis. Instruments purchased are included at cost. The individual values of all instruments are continuously reviewed on a rolling basis - primarily for insurance purposes - and adjustments made where necessary.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Long leasehold property - 2% straight line
Musical Instruments - Not depreciated
Instrument cases and equipment - 10% straight line
Office equipment - 20% straight line

continued...

1. ACCOUNTING POLICIES - continued

Tangible fixed assets
Depreciation is not provided on musical instruments individually but an annual adjustment is made to reflect value changes arising from reviews during the year and acquisitions and disposals. A view is also taken at the time of the overall reserve provided against the aggregate musical instrument stock valuation (see Note 6).

Taxation
The charity is exempt from tax on its charitable activities.

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

Designated funds comprise unrestricted funds that have been set aside by the Trustee for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Scheme for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pension costs and other post-retirement benefits
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31.12.25	31.12.24
	£	£
Donations	51,128	84,033
Instruments donated	192,616	229,080
	243,744	313,113

3. OTHER TRADING ACTIVITIES

	31.12.25	31.12.24
	£	£
Deposit account interest	13,888	14,184

continued...

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Benslow Musical Instrument Loan Scheme	253,321

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024.

6. STAFF COSTS

	31.12.25 £	31.12.24 £
Wages and salaries	106,278	96,998
Other pension costs	2,287	1,914
	108,565	98,912

The average monthly number of employees during the year was as follows:

	31.12.25	31.12.24
Lending instruments / administration	3	3

No employees received emoluments in excess of £60,000.

7. 2024 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	313,113	-	313,113
Other trading activities	14,184	-	14,184
Other income	198,392	-	198,392
Total	525,689	-	525,689
EXPENDITURE ON			
Charitable activities			
Benslow Musical Instrument Loan Scheme	227,347	56,516	283,863
Net gains on investments	335,911	-	335,911

continued...

7. 2024 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	634,253	(56,516)	577,737
Transfers between funds	49,086	(49,086)	-
Net movement in funds	683,339	(105,602)	577,737
RECONCILIATION OF FUNDS			
Total funds brought forward	2,756,039	200,000	2,956,039
TOTAL FUNDS CARRIED FORWARD	3,439,378	94,398	3,533,776

8. TANGIBLE FIXED ASSETS

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
COST OR VALUATION					
At 1 January 2025	676,860	37,248	2,576,649	12,200	3,302,957
Additions	-	179	194,584	3,564	198,327
Disposals	-	-	(22,608)	-	(22,608)
At 31 December 2025	676,860	37,427	2,748,625	15,764	3,478,676
DEPRECIATION					
At 1 January 2025	67,099	36,265	-	11,636	115,000
Charge for year	13,537	482	-	918	14,937
At 31 December 2025	80,636	36,747	-	12,554	129,937
NET BOOK VALUE					
At 31 December 2025	596,224	680	2,748,625	3,210	3,348,739
At 31 December 2024	609,761	983	2,576,649	564	3,187,957

Cost or valuation at 31 December 2025 is represented by:

	Long leasehold £	Instrument cases £	Musical instruments £	Office equipment £	Totals £
Valuation in 2024	-	-	635,738	-	635,738
Valuation in 2025	-	179	171,976	3,564	175,719
Cost	676,860	37,248	1,940,911	12,200	2,667,219
	676,860	37,427	2,748,625	15,764	3,478,676

continued...

8. TANGIBLE FIXED ASSETS - continued

Musical Instruments - the Scheme's policy is only to sell or dispose of instruments where they are deemed unsuitable for purpose. Occasionally this may include instruments which prove unappealing to borrowers, when they may be disposed of or returned to the owner as appropriate. The overall instrument stock forms no part of any collateral given or contemplated.

As noted above the total owned instrument stock reflects the aggregate of individual valuations under constant review. The market for instruments is a highly specialised one and much distorted in recent years by the perception of 'named' musical instruments as a pure investment asset. To keep our aggregate book value within bounds we have applied a discount of 40% (2024: 40%) to the insurance valuation and the discounted figure is the figure of £2,748,625 included above.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.25	31.12.24
	£	£
Trade debtors	58,391	65,647
Other debtors	45,612	13,702
	104,003	79,349

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.25	31.12.24
	£	£
Trade creditors	103,255	95,467
Other creditors	38,426	26,009
	141,681	121,476

Trade creditors represents the deposits held for instruments out on loan.

11. MOVEMENT IN FUNDS

	At 1.1.25	Net movement in funds	At 31.12.25
	£	£	£
Unrestricted funds			
General fund	841,729	17,177	858,906
Designated fund - Musical Instruments	2,597,649	169,238	2,766,887
	3,439,378	186,415	3,625,793
Restricted funds			
Aston Development Fund	76,136	(22,586)	53,550
Parker Instrument Fund	18,262	(18,262)	-
Clive Garner Memorial Trust	-	10,000	10,000
	94,398	(30,848)	63,550
TOTAL FUNDS	3,533,776	155,567	3,689,343

continued...

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	247,912	(230,735)	-	17,177
Designated fund - Musical Instruments	192,616	-	(23,378)	169,238
	440,528	(230,735)	(23,378)	186,415
Restricted funds				
Aston Development Fund	-	(22,586)	-	(22,586)
Parker Instrument Fund	-	-	(18,262)	(18,262)
Clive Garner Memorial Trust	10,000	-	-	10,000
	10,000	(22,586)	(18,262)	(30,848)
TOTAL FUNDS	450,528	(253,321)	(41,640)	155,567

Comparatives for movement in funds

	At 1.1.24 £	Net movement in funds £	Transfers between funds £	At 31.12.24 £
Unrestricted funds	2,756,039	634,253	49,086	3,439,378
Restricted funds				
Bursary fund	-	(29,914)	29,914	-
Aston Development Fund	100,000	(23,864)	-	76,136
Parker Instrument Fund	100,000	(2,738)	(79,000)	18,262
	200,000	(56,516)	(49,086)	94,398
TOTAL FUNDS	2,956,039	577,737	-	3,533,776

continued...

11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds	525,689	(227,347)	335,911	634,253
Restricted funds				
Bursary fund	-	(29,914)	-	(29,914)
Aston Development Fund	-	(23,864)	-	(23,864)
Parker Instrument Fund	-	(2,738)	-	(2,738)
	-	(56,516)	-	(56,516)
TOTAL FUNDS	525,689	(283,863)	335,911	577,737

Unrestricted fund - General
This fund represents the accumulated surplus arising from the general activity of the Scheme after allocating income and expenditure to other funds where appropriate and is consistent with the policy of the Governors.

Designated fund - Musical instruments
This fund represents the total value of musical instruments owned by the Scheme, although it should be noted the operational stock includes substantial numbers of instruments placed in the Scheme by supporters. As noted in 9 above the Scheme only parts with instruments if they are deemed unsuitable for purpose, and the Governors therefore consider that for accounting clarity the proportion of general reserves representing the net aggregate value should be shown as a separate item.

Restricted fund - Aston Development Fund
This fund represents a donation to the Scheme by Tony Aston, former Governor and Chair of the Scheme and former trustee of Benslow Music Trust. The fund is to allow the Scheme to continue to develop in the future.

Restricted fund - Parker Instrument Fund
This fund represents a donation given specifically for the purchase of instruments.

Restricted fund - Bursary Fund
The Scheme maintains its charges to borrowers at a low level and these primarily reflect only the direct cost of maintaining and insuring the instruments. To meet cases of extreme hardship however, bursaries are given that further reduce these charges and in 2025 awards totalling £20,969 were given. These are shown separately on the Statement of Financial Activities, being effectively a reduction in the year's income.

continued...

12. RELATED PARTY DISCLOSURES

A management charge of £40,526 was paid to Benslow Music Trust, the sole Trustee, for the year ended 31 December 2025 (2024: £32,800). This covered premises, facilities and other support activities.

At the end of the year £nil was owed to Benslow Music Trust (Owed to BMT at 31 December 2024: £nil).