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MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 1995

MMF Office,
Chaucer Building,
Canterbury Road,
Morden,
Surrey.
SM4 6PX

Company Number 02590621



MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS REPORT

FOR THE YEAR ENDED 31ST AUGUST 1995

The Directors present their report and accounts for the year ended 31st August 1995.

DIRECTORS RESPONSIBILITIES

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 company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:-

select suitable accounting policies and apply them consistently

make judgements and estimates that are reasonable and prudent

prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The Company's principal activity continued to be that of the advancement of musical education within the framework of the arts for the benefit of the public in the London Borough of Merton and elsewhere.

DIRECTORS AND THEIR INTERESTS

The Directors throughout the year were as follows:

J.R.Mander Esq.
P.R.Woodings Esq.
D.A.F.Pennell Esq.
D.J.Merriman Esq

The Company is limited by guarantee and there is no share capital.

In preparing these financial statements the directors have taken advantage of special exemptions applicable to small companies and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

Signed

Director



MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

AUDITORS REPORT TO THE SHAREHOLDERS

FOR THE YEAR ENDED 31ST AUGUST 1995

We have audited the attached financial statements which have been prepared under the historical cost convention and the accounting policies set out in the notes.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Directors Report the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

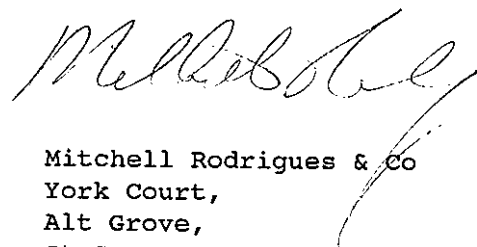
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st August 1995 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Registered auditors

9th January 1996


Mitchell Rodrigues & Co
York Court,
Alt Grove,
St Georges Road,
London SW19 4DZ

MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST AUGUST 1995

	<u>1995</u>	<u>1994</u>
	£	£
Fees for Lessons	240,765	234,695
Instrument Hire	22,909	22,154
Music Centre Subscriptions	7,542	6,609
Interest Received	1,927	433
Grants Recd.	1,500	2,421
Donations	980	1,515
Income Tax Refund	-	133
Concert Fees	1,300	-
Programme & Ticket Sales	1,338	1,682
Lecture & Course Fees	1,709	1,875
Sale of Instruments	256	-
Instrument Repairs	166	53
	280,392	271,570
 ADMINISTRATIVE EXPENSES		
Materials	133	134
Purchase of Music	1,197	689
Wages & Salaries	29,702	16,531
Employers National Insurance	2,515	1,044
Fees to Teachers	202,662	204,834
Fees to Artists	697	280
Clerical Assistance	-	1,555
Hire of Room for Lessons	350	-
Telephone	496	161
Repairs and Renewals	1,090	708
Repairs Instruments	224	354
Hire of Musical Instruments	893	938
Postage	805	541
Printing and Stationery	5,032	3,764
Computer Software	(1,547)	1,547
Annual Return Filing Fee	18	32
Bookkeeping Fees	1,800	904
Accountancy and Audit Fees	1,293	823
Bank Charges	427	591
Professional Subscriptions	345	170
Advertising	1,328	160
Motor Expenses	31	-
Travelling	100	171
Conference Fees	237	142
Concert Expenses	652	2,280
Teas and Staff Welfare	310	337
Bad Debts	632	138
Grants	6,499	2,734
Technical Literature	358	129
Sundries	-	200
Legal Fees	646	59
Depreciation Equipment	2,744	1,526
	261,669	243,476
Total Expenses		
Net Profit for the year	<u>£18,723</u>	<u>£28,094</u>

MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST AUGUST 1995

	<u>1995</u>	<u>1994</u>
	£	£
Turnover	280,392	271,570
Administrative Expenses	261,669	243,476
PROFIT FOR THE FINANCIAL YEAR	18,723	28,094
BALANCE BROUGHT FORWARD	45,619	17,525
BALANCE CARRIED FORWARD	<u>£64,342</u>	<u>£45,619</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years

MERTON MUSIC FOUNDATION
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BALANCE SHEET

AS AT 31ST AUGUST 1995

	<u>1995</u>	<u>1994</u>
	£	£
FIXED ASSETS		
Tangible Fixed Assets	8,220	4,590
CURRENT ASSETS		
Debtors	32,925	38,071
Cash at Bank and in Hand	27,504	8,567
	<u>60,429</u>	<u>46,638</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Other Creditors	3,014	4,786
Accruals	1,293	823
	<u>4,307</u>	<u>5,609</u>
NET CURRENT ASSETS	<u>56,122</u>	<u>41,029</u>
TOTAL NET ASSETS	<u><u>£64,342</u></u>	<u><u>£45,619</u></u>
CAPITAL AND RESERVES		
Profit and Loss Account	64,342	45,619
	<u><u>£64,342</u></u>	<u><u>£45,619</u></u>

In preparing these financial statements the directors have taken advantage of special exemptions applicable to small companies and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

The accounts were approved by the board of directors on 11th December 1995.

Signed:-

Director

D A Pennell

MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 1995

TANGIBLE FIXED ASSETS

	<u>Equipment & Instruments</u>
	£
COST	
Opening Balance	8,593
Additions	6,374
	<u>14,967</u>
DEPRECIATION	
Opening Balance	4,003
Charge for the Year	2,744
	<u>6,747</u>
NET BOOK VALUE	<u><u>8,220</u></u>
LAST YEAR	<u><u>4,590</u></u>

MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 1995

ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention.

DEPRECIATION

Depreciation has been calculated on the written down value of the assets at the following rates:-

Equipment & Instruments - 25%

A full years depreciation is taken in the year of acquisition and none in the year of disposal.

CASH FLOW STATEMENT

The company has taken advantage of the exemption available per FRS 1 for small companies not to prepare a Cash Flow Statement.

TAXATION

The Company is registered as a charity and has exemption from Corporation Tax from the Inland Revenue. Its aims are non-profit making with all profits being ploughed back into the Foundation.

RECONCILIATION OF MOVEMENTS IN MEMBERS FUNDS

	1995	1994
Profit for the financial year	18,723	28,094
Opening Members funds	45,619	17,525
	-----	-----
Closing Members funds	64,342	45,619
	=====	=====