

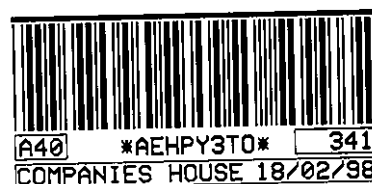
MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 1997

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 1997

The Directors present their report and accounts for the year ended 31st August 1997.

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 year. 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:

Doreen Hewitt
John Mander
David Merriman
Brenda Spencer
Peter Woodings (Resigned 9/9/96)

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

MERTON MUSIC FOUNDATION
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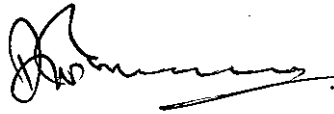
DIRECTORS REPORT

FOR THE YEAR ENDED 31ST AUGUST 1997

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



12/1/98

MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

AUDITORS REPORT TO THE SHAREHOLDERS

FOR THE YEAR ENDED 31ST AUGUST 1997

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.

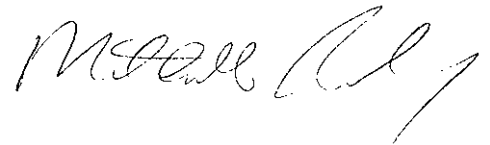
BASIS OF OPINION

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 1997 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Registered auditors

16th February 1998

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 1997

	<u>1997</u>	<u>1996</u>
	£	£
Turnover	328,436	299,861
Administrative Expenses	361,154	293,303
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(32,718)	6,558
BALANCE BROUGHT FORWARD	70,900	64,342
BALANCE CARRIED FORWARD	<u>£38,182</u>	<u>£70,900</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
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31ST AUGUST 1997

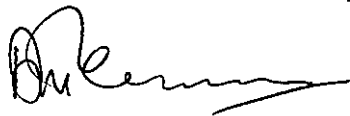
	<u>1997</u>	<u>1996</u>
	£	£
FIXED ASSETS		
Tangible Fixed Assets	19,905	11,935
CURRENT ASSETS		
Debtors	12,209	23,335
Other Debtors	51	255
Prepayments	-	1,349
Cash at Bank and in Hand	19,296	38,642
	<u>31,556</u>	<u>63,581</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Other Creditors	11,516	3,323
Accruals	1,763	1,293
	<u>13,279</u>	<u>4,616</u>
NET CURRENT ASSETS	<u>18,277</u>	<u>58,965</u>
TOTAL NET ASSETS	<u><u>£38,182</u></u>	<u><u>£70,900</u></u>
CAPITAL AND RESERVES		
Profit and Loss Account	<u>38,182</u>	<u>70,900</u>
	<u><u>£38,182</u></u>	<u><u>£70,900</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 30th January 1998.

(Signed):-

Director

 12/1/98

MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 1997

TANGIBLE FIXED ASSETS

Equipment &
Instruments

£

COST

Opening Balance	22,660
Additions	14,605
	<u>37,265</u>

DEPRECIATION

Opening Balance	10,725
Charge for the Year	6,635
	<u>17,360</u>

NET BOOK VALUE

19,905

LAST YEAR

11,935

MERTON MUSIC FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 1997

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

	1997	1996
Profit/(Loss) for the financial year	(32,718)	6,558
Opening Members funds	70,900	64,342
	-----	-----
Closing Members funds	38,182	70,900
	=====	=====