

MERTON MUSIC FOUNDATION

A Charitable Company Limited by Guarantee

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2011

Charity number: 1004122

Company number: 02590621 (England and Wales)



MERTON MUSIC FOUNDATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011

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MERTON MUSIC FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Registered Charity Number 1004122

Company Number 2590621 (England and Wales)

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Solicitors Bates, Wells and Braithwaite, 2-6 Cannon Street, London EC4M 6YH

Directors and Trustees

Chairman David Merriman
Michael Collins
Doreen Hewitt
Rachel Jacob
John Mander
Ian Newman
Hugh Wilson

Company Secretary John Mander

Principal Officers

Chief Executive John Mander

Deputy Director Soo Bishop (Schools Service)

Deputy Director Elisabeth Wigley (Music Service)

Administration Manager Julee Awoonor-Gordon

Finance Manager Julie Raper

Merton Music Foundation is a member of

Federation of Music Services
National Association of Music Educators
Music Education Council

Grant funded by

Department for Education
London Borough of Merton
Federation of Music Services

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

CHAIRMAN'S FOREWORD

As years go, the financial year of 2011 was always going to be something of a celebratory landmark. That is not to say that the period was one of continuous partying, for challenging times and decisions (see later comments) inevitably littered the year, but as the 20th anniversary marked the formation of Merton Music Foundation, 2011 was a significant year.

The Foundation was delighted to be appointed by Centre Court Shopping Centre, Wimbledon as its nominated charity for 2010/11. Working in conjunction with the 'Big Give', over £9,800 was donated to MMF to assist in funding instrumental lessons and instrument hire for low-income families – a core part of MMF's support to young people who would otherwise not have access to the broad ranging social and educational benefits that instrumental music engenders.

Amongst these "good news" stories and continuing brilliant achievements of MMF's pupils, choirs and bands through school and Music Centre activities, there remained the challenges of running a first rate music service on funding resources that, in real terms, decline year-on-year.

Due to uncertainty of funding resources, the Trustees were faced with the difficult decision of implementing some limited redundancies within the administrative section of the Music Centre. This year the upgrading of fee payments to an on-line system has resulted in smoother cash flows but, subject to financial constraints, it is acknowledged that further development is required to enable such payments to be automatically embedded in the system, and thereby relieve pressure on the busy finance office.

Despite the constraints of inadequate finances and insufficient staff numbers, the Senior Management Teams and administrative staff have pursued their roles with relentless enthusiasm and professionalism. The Trustees are most grateful for the unstinting work undertaken by all staff and tutors. This enabled MMF to maintain its high standard of service provision and indeed its highly respected reputation.

In the summer of 2011, 56 young people and 10 staff undertook a highly successful tour of Croatia. This not only further expanded the reputation of MMF but also, as in previous years, provided opportunities for the participants to develop and broaden their musical, social and educational skills.

Early in the year, the Government instigated the "Henley Review" of music education provision nationally with the intention of creating a National Plan for Music Education. Inevitably such a "root and branch" review has led to a period of significant uncertainty within music services, trusts and local authorities, not the least reason being the as yet undefined structure of funding and resourcing. The lack of any sense of certainty regarding future funding has been a disappointingly regular feature of my annual reports.

In this climate of uncertainty as regards future Governmental requirements for music services, it is essential not to lose sight of the good things that have happened this past year and especially the great "institution" that MMF has become over the last 20 years. The focus of celebration was a "Music is for Life" event held at the Royal Albert Hall in March, with over 1,500 children and young people and 26 primary schools participating. I was privileged to host the Mayor of Merton Cllr Oonagh Moulton, councillors, local authority officers and guests at a pre-concert reception and to acknowledge with them the astonishing growth and development of the Foundation in just two decades, and the pivotal role that CEO John Mander has had in driving vision and professionalism forward for these two decades. The encores and cheers of the audience in the Royal Albert Hall were sure testament to the success, not only of the evening, but also of MMF.

As and when the implications of the National Plan are published, I am trusting that there will be a significant role for MMF within whatever is to be the new "medium" of music provision, so that its foundational heritage can be developed further, over the next two decades.



David Merriman
Chair of Trustees
Merton Music Foundation

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 August 2011

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum of association and the Statement of Recommended Practice - Accounting and Reporting by Charities

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 12 March 1991 and registered as a charity on 11 September 1991. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Organisational structure

The Board of Trustees meets termly to manage the affairs of the charity. The Board consisted of six directors, from a variety of professional backgrounds, who are responsible for the strategic direction and policy of the charity. The Chief Executive, who is also a trustee, manages the day-to-day operations of the charity, and has delegated authority, within terms of delegation approved by the trustee body, for operational matters including finance, employment and artistic related activity.

Directors/Trustees who served during the year

M A Collins
D R Hewitt
J R Mander
D J Merriman
W I Newman
H C Wilson

Recruitment and appointment of Trustees

The directors of the company are also charity trustees for the purposes of charity law. It is the Board of Trustees' collective responsibility to ensure that the organisation is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objectives. Members of the Board are normally re-elected at each Annual General Meeting. Retirement is by rotation with trustees, being eligible, offering themselves for re-election based on those who have been longest in office since their last appointment or reappointment. New appointments to the Board are made after completion of a trustee skills gap analysis. Recruitment is usually by recommendation with suitable business, education or charity experience sought. A curriculum vitae is required from the candidate and existing Board members approve all new appointments prior to their election at the next Annual General Meeting.

Trustee induction and training

New trustees are generally already familiar with the practical work of the charity. Their induction includes briefing them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction process, they meet key employees and the other trustees. All trustees are encouraged to attend appropriate external training events to develop their understanding of their roles as trustees. New trustees are also given relevant documentation including recent important documentation on music education, meeting minutes and annual reports.

Related parties

The charity works closely with the Friends of Merton's Young Musicians (Charity No 274493-R). FMYM is a thriving Parents' Association for our Merton Youth Music activities. The Chief Executive serves in an ex-officio non-voting capacity on the management committee of FMYM.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

OBJECTIVES AND ACTIVITIES

Charitable objective

The principal object of the Merton Music Foundation is to "*advance musical education within the framework of the arts for the benefit of the public in the London Borough of Merton and elsewhere*"

There have been no changes in objectives since the last annual report

Our mission

Our mission is to encourage participation, enjoyment and achievement by providing the highest quality learning opportunities in music and the performing arts

Operational objectives

Our operational objectives are based on those of the Music Manifesto

- To provide every young person with 'first access' to a range of quality music experiences and learning,
- To provide more opportunities for young people to deepen and broaden their musical interests and skills,
- To identify and nurture our most talented young musicians,
- To develop a world class workforce in music education,
- To improve the support structures for young people making music

The strategies and activities employed to achieve the charity's objectives are divided up into four areas

1. INSTRUMENTAL MUSIC PROGRAMME

Merton Music Foundation's Instrumental Music Programme continues to form the backbone of the charity's operations with 4,600 instrumental and vocal music lessons provided annually for young people and adults. The Foundation administers and co-ordinates the provision of instrumental music tuition by professional musicians in schools in the London Borough of Merton and at the Foundation's Music Centre. The choice of instruments offered in schools depends on the number of pupils who apply. If the instrument required is not taught at the child's school then lessons are provided at Merton Music Centre outside school hours. Group, shared or individual lessons can be requested, and there are choices for the length of lessons. Pupils are able to start with group lessons of three or four pupils (depending on the type of instrument). More advanced pupils progress to tuition on a shared or individual basis. In addition, lessons are offered at reduced rates for pupils who have taken part in the Wider Opportunities Programme, which aims to make vocal and instrumental tuition available to an increasingly large number of schoolchildren in Key Stage 2.

Tuition is offered across the full range of instruments

- Brass: Trumpet, French Horn, Trombone, Euphonium and Tuba,
- Strings: Violin, Viola, Cello and Double Bass,
- Woodwind: Flute, Clarinet, Oboe, Bassoon and Saxophone,
- Piano and Electric Keyboard,
- Guitar, Electric Guitar and Bass Guitar,
- Percussion,
- Voice,
- Recorder

In support of its charitable objectives, the MMF provides an extensive instrumental hire service. This service, which is a key part of the Foundation's operations, generates much needed funding that is used to support the MMF's Trust Fund scheme. The Trust Fund remission scheme is overseen by the charity's trustees and aims to support young people from disadvantaged backgrounds. Financial assistance towards the cost of music tuition and Youth Music membership is available to parents/guardians receiving various kinds of state support. Instances of special need are also supported by the Trust Fund wherever possible. Pupils receiving Trust Fund assistance are provided with an instrument free of charge, subject to a small termly payment of £12.00 towards the administrative cost of providing the instrument. The Foundation's current stock consists of instruments purchased by the MMF, instruments donated by the London Borough of Merton, instruments purchased with the assistance of the Friends of Merton's Young Musicians, instruments donated by the public, and instruments purchased through the Federation of Music Services for KS2 Wider Opportunities and Extension Programmes.

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2. MERTON YOUTH MUSIC PROGRAMME

The Foundation's Youth Music Programme provides a range of music making activities at the Merton Music Centre, Canterbury Road, Morden. During the year, all activities have been re-evaluated by the Senior Management Team and learning pathways for progression reviewed to support the aim of promoting Music Centre as a centre of excellence for musical learning and achievement. The Centre offers a structured signposted progression of ensemble experience through its instrumental groups, bands, choirs and orchestras, with provision for those with Special Needs and the Gifted and Talented. This year we have introduced a 'Strictly' series, which involves a larger group lesson (up to 12) on an endangered instrument at the Music Centre to encourage the uptake of a wide range of instruments. A termly subscription is charged as a contribution towards the running costs of Merton Youth Music. This entitles members to participate in the Foundation's bands, choirs, orchestras and ensembles, and members may participate in more than one activity without further charge. Reductions are also available for families receiving Trust Fund support as detailed above, and also for second and subsequent children within families.

Music Centre activities take place on Monday and Wednesday evenings and on Saturday mornings. Regular performance opportunities are provided, and concerts involving all groups are given termly. Some of the more prestigious senior groups are also able to perform on other occasions during the year, for example at the Wimbledon Tennis Championships and other local festivals and events. Players are encouraged to join the Foundation's training groups as soon as they have developed some elementary instrumental skills, usually within the first year of learning. When an appropriate standard has been reached, members can progress to the Foundation's intermediate orchestras, bands, choirs and ensembles. For advanced players the Foundation offers a wide range of groups, including the Merton Youth Concert Band, the Merton Youth Jazz Orchestra, and a number of instrumental and vocal ensembles. Newsletters are published periodically by MMF for members and their parents.

Merton Youth Music provides regular tours abroad for its senior groups. Not only are these of immense educational value but they also offer wider educational and social benefits such as the forging of firm friendships and the promotion of good international relations. This year the senior Concert Band and MYJO had a very successful tour to Croatia. These activities are important as they help the cohesion of the groups and contribute significantly to their performance standards. In addition, several senior groups have gained a national and international reputation, participating in prestigious events both at home and abroad. Performances opportunities are given to all groups so that beginners can begin to gain confidence as performers and enjoy 'live' music making. This year many of the Foundation's groups have participated in an outstanding Music *is for Life!* concert at the Royal Albert Hall, London.

3. PROJECT DEVELOPMENT PROGRAMME

Merton Music Foundation provides a varied programme of music-making initiatives that brings music into the lives of thousands of Merton children and teaching staff. Through its Project Development Programme, MMF provides a regular series of curriculum enhancing projects for Merton Local Authority schools. The initiative, supported by central government's Music Grant (formerly the Music Standards Fund), Merton Local Authority and MMF, enables schools to have regular access to high quality live music projects with experienced visiting professional musicians.

'In2Music' Wider Opportunities Whole Class Musical Learning

The charity has continued to expand its programme of 'Wider Opportunities' in partnership with Merton primary schools, with the aim of developing a wide variety of projects and programmes to enhance Key Stage 2 music provision. Wider Opportunities grew out of the Government's pledge that *"Over time, every primary school child that wants to, should have the opportunity of learning a musical instrument"*. The programme has had a significant impact on pupils' musical achievements and their attainment and attitudes to learning across the curriculum.

The 'In2Music' Instrumental and Vocal Tuition Programme reached approximately 2,997 KS2 children and their teachers during the year, through three distinct programmes.

Instrumental Tuition

- The instrumental strand of 'In2Music' offered whole class tuition to 762 pupils from 15 primary schools, on a variety of instruments including trumpet, trombone, flute, clarinet, violin, samba, steel pan and djembe. Pupils were taught in whole class groups for 25 hour-long sessions across the year, delivered free of charge to the child. Plans are now underway to develop and deliver a shorter one-term whole class instrumental strand of In2Music and to strengthen the link between instrumental tutors and class teachers, through a revised programme structure and enhanced CPD.

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In2Recorder

- The 'In2Music' recorder programme, introduced in 2009, was expanded from 14 schools to 23, covering 1,220 KS2 pupils and their teachers. The programme provided a series of on-going training sessions covering a wide range of skills to approximately 30 school-based class teachers, who delivered the programme in their own schools. New resources and a more advanced CPD strand were introduced alongside imaginative strategies for ensuring that all children were able to make significant progress with recorder technique, the reading of music notation, general musicianship and ensemble skills. Feedback continues to be excellent and there are plans to extend the programme next year.

Choral Performance Project: 'Music is for Life 2011 - With One Voice'

- The choral strand of 'In2Music' provided an opportunity to deliver intensive, sustained development of the key vocal and general musicianship skills, which lie at the heart of a progressive and challenging music curriculum. In 2010/11, MMF devised and delivered another very successful and inclusive mass choral and composition curriculum project, culminating in a flagship 'Music is for Life' performance at The Royal Albert Hall in March 2011. The curriculum strand of the project was supported by the Taylor Family Foundation and a Local Authority Arts Development grant.
- Phase One of 'With One Voice' began in the summer of 2010, with the production of a training DVD, led by world-renowned jazz educator, composer and performer Pete Churchill, on the art of song writing. The film was designed to provide guidance and support for teachers and KS2 pupils to explore and develop strong narrative ideas into imaginative, coherent lyrics, then turn these into simple songs, using a variety of musical strategies and 'tricks of the trade'. In September, Pete delivered a day of training to 53 local teachers from 34 schools, who took ideas back into their classrooms, to begin the process.
- A round of 'Song Squad' workshops delivered to 1,000 pupils (41 classes of children) from 24 Primary schools heralded phase two of the project. 19 members of the London Vocal Project and 3 MMF tutors worked alongside groups of children and staff to gather lyrics, melodic and groove ideas to begin the composition of 'With One Voice', a suite of original songs, which would form the core material at the choral performance of 'Music is for Life 2011'.
- November through to March saw the delivery of Phase Three, as over 1,000 children and around 90 staff from 24 Primary schools came together in cluster groups with Pete Churchill and MMF's Deputy Director, for a series of demanding choral workshops, to learn the songs, receive sustained, in-depth vocal and choral tuition and expand their general musical skills and understanding. 50 members of the Merton Young Voices and 50 members of VoiceBox Youth Choir also attended weekly rehearsals on the material.
- The project culminated in a mass instrumental and choral performance at The Royal Albert Hall on 29 March 2011, to an audience in excess of 3,000. A massed choir of over 1,200 voices performed 'With One Voice' accompanied by the Merton Youth Jazz Orchestra, String Sinfonia and guest soloists from The London Vocal Project and London music conservatoires. The concert also included inspiring, high-quality performances from other groups from Merton's Youth Music programme, including its concert bands, string ensembles and percussion groups.

'With One Voice' Special Schools Project

- A Special Schools strand of 'With One Voice' was developed and delivered in partnership with the Wimbledon Civic Theatre Trust. A presentation of performance art was devised by the Key Stage 3 pupils at St Ann's and Cricket Green Special Schools with support from a dedicated team of tutors and school staff. The performance was incorporated into The Royal Albert Hall concert and was the culmination of a composition, live performance and dance collaboration, which was prepared over the autumn and spring. The aim was to extend pupils' skills and confidence about performing and much preparation time was spent on the processes involved in enabling pupils to learn in an incremental and meaningful way – whilst still having a huge amount of fun!
- This shared music making started with a session with all the pupils working together trying out a series of symbolic animal gestures and sounds. This became the compositional starting point to develop a sequence of musical motifs and movement patterns divided into loosely defined groups of monkeys, lions, snakes and birds. From this urban jungle, rap lyrics were devised and a group of pupils went to Crown Lane Studios in Morden to lay down tracks of their words and soundscapes, which generated much creativity and excitement!

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- Pupils and staff were encouraged to make suggestions and were given the opportunity to try out ideas, change and develop material as a co-operative project team. It was exciting to watch confidence grow and skills develop amongst staff and pupils alike, reaching the highest standards of performance and understanding of artistic compositional process. Part of the impact of the project was to carry this momentum back in to the curriculum and both schools explored strands of their work in literacy, art and design technology – as featured in the amazing T-shirt and parachute designs seen on the platform at the Royal Albert Hall.
- The performance included pre-recorded tracks captured during the weekly sessions, studio tracks that pupils recorded, and featured live music, dancing, movement and singing, and the use of 'switches' for pupils with limited communication skills. It clearly demonstrated that all children can be involved in the joy and pleasure of shared music making and live performance.

Projects continue to be oversubscribed with large numbers of children (70%+) expressing the wish to continue with some form of musical activity, if given the opportunity.

Sing Out Team and Sing Outside

The 'Sing Out' team, formed in September 2008 and led by Merton's Advanced Skills Teacher for Music, continued to promote the benefits of singing, and champion the aims and objectives of the national 'Sing Up' initiative. 'Sing Outside' aims to encourage pupils to act as young song-leaders using an exciting and ever expanding repertoire of singing games and rhymes, designed for the playground. The team met on a number of occasions to review, further develop and facilitate the rollout of this playground games programme. Over the year, members of the 'Sing Out' team worked with a new wave of partner schools to introduce and help embed the programme. Teachers, other school staff (including Teaching Assistants, and playground supervisors) and young singing leaders learned a range of songs and rhymes, to teach to their peers and use regularly in the playground. Schools came together with their partners to learn new songs and share creative ways of performing them. The second mass Sing Outside 'Big Sing-in-the-Park' song-share and picnic took place in Dundonald Recreation Ground in July, bringing together around 150 children from 7 local schools.

Blow-Out 2011

In July, Merton's AST for Music led a day of recorder development at Wimbledon Park Primary School for 170 KS2 pupils and their teachers. Pupils pre-prepared a number of percussion and recorder items, then came to together to rehearse and refine the material and develop ensemble and performing skills with professional recorder player Mike Keen. The day culminated in a performance to peers and family.

All Join In

In the summer term, MMF and Polka Theatre (with financial support from local charity, Priory Homes) worked on a 10 week project running alongside Polka's production 'All Join In' with KS2 pupils from St Ann's School. Deputy Director Elisabeth Wigley worked with the theatre education department and a professional youth theatre producer to explore themes from the professional production in an accessible and sensory way for children with Severe Learning Difficulties, culminating in a performance on the stage and using the professional set at the Theatre.

Tutors from MMF also provided a series of 'All Join In' singing and percussion workshops at Polka over the summer half-term holidays, for children and families.

Orchestra of the Age of Enlightenment Project

Main Events:

Baroque Master Class – 22 November 2010

Celebrate Strings – 27 March 2011

Strings Day – 12 June 2011

- The continued collaboration with the Orchestra of the Age of Enlightenment was a huge success over 2010/11, not only for the three events that took place through the year but also for the wider benefits it reaped for string development in the Borough, and links formed across London. The master class enabled our more established musicians in the Borough to perform solos in an informal environment and receive feedback and advice from OAE violinist Susie Carpenter-Jacobs on baroque techniques. This event proved successful in recruiting two players for our String Sinfonia, as well as strengthening links with players from a local secondary school, who would later become involved in another MMF project – the performance of Britten's Noye's Fludde.

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- For the "Celebrate Strings concert" our String Sinfonia joined forces with senior string groups from Camden, Islington, Wandsworth and a school from Norway, alongside members of the OAE to perform the premier of Rachel Stott's "Tug of War" It was an exciting opportunity for our string players to perform a World Premier, socialise with other musicians across London and experience playing in a group with their peers from another European Country On the back of this concert, there have been further discussions about more collaboration for strings projects across London Boroughs and even thoughts of a reciprocal tour to Norway
- The Strings Day was an event in which all players of any standard from all of our MMF string groups, and within the Borough were able to join forces and work with players from the OAE This truly inspirational day used everything from dancing to specific bowing methods in order to create an authentic performance It was also beneficial to see our senior musicians working together with, and helping our more junior players - especially for the 4 double bass who were able to be involved having only had 5 lessons As a result of these sessions the standard of string playing at MMF has significantly increased and we have been able to improve interest across all of our groups We are very much looking forward to more projects with the OAE in the future

NEW CURRICULUM PARTNERSHIP INITIATIVES

Wimbledon Music Festival - St Cecilia's Day Celebration 22 November 2010

In a new partnership initiative with **Wimbledon Music Festival**, tutors from MMF led a day of music making for Merton Primary schools, culminating in an evening performance from Merton High schools and members of the Merton Youth Music programme

The day had three distinct strands, delivered with funding support from Wimbledon Music Festival

- A Primary/KS3 recorder project with world-renowned musician Piers Adams, culminating in a daylong workshop and afternoon concert by 200 KS2 and 3 pupils, hosted by Kings College School and organised by Caroline Segolo, Merton's AST for Primary Music,
- A Primary 'Sing-Out' project with all schools encouraged to programme singing and playing events during the day A resource pack and CD was distributed to every Primary school, containing material suitable for both Key Stages and practical guidance on different ways to bring pupils, staff and parents together for a musical celebration,
- A Primary/Secondary Community Workshop day and evening concert at St Mark's Academy to celebrate a wide range of music making A series of half day workshops on Samba, Steel Pan and Djembe were hosted by St Mark's Academy and attended by over 200 KS2 pupils from 8 Primary and Special schools In the evening, students from 6 Merton high schools performed items alongside the Merton Youth Jazz Orchestra

Plans are well underway for future collaboration in 2011/12, including a fully staged community performance of Benjamin Britten's opera 'Noye's Fludde'

English Pocket Opera Company

In the summer term 2011, English Pocket Opera Company approached MMF, in connection with its ambitious mass composition and performance project 'Ring Round The World' MMF provided strategies for project management, staff CPD and practical advice to EPOC, enabling a range of high quality resources from 'With One Voice' to be accessed by thousands of children and their teachers across London and the South East 10 classes of Merton Primary pupils are participating in the full RRTW composition project during 2011/12

MMF and EPOC will continue to collaborate in order to facilitate new music and arts opportunities for pupils and staff in the future

Future Development

Our two Deputy Directors have taken every opportunity to develop new partnerships with local arts and educational organisations, in order to expand the breadth and depth of opportunities available to children across the borough

- MMF will continue to develop local, ongoing creative partnerships including with the Orchestra of the Age of Enlightenment, Wimbledon Music Festival, Panash Community Steel Pans, Kings College School, the London Vocal Project, the Wimbledon Civic Theatre Trust and the Polka Theatre,

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- MMF will continue to champion high-quality initiatives led by national organisations including Sing Up and Music for Youth,
- New partnerships, including those with English Pocket Opera Company, AFC Wimbledon, Wimbledon Choral Society and Wimbledon Community Chorus will be nurtured and developed,
- 2011/12 will see the delivery of 'ArtsBeat 2012', a new schools-based arts festival in March 2012, preceded by a series of vocal and cross-arts workshops and CPD. A core element of the festival will be the Young Song Leaders strand, where large numbers of KS2 pupils will be trained to teach singing to their peers. This Primary curriculum project will be delivered in partnership with the Wimbledon Civic Theatre Trust and with funding support from the Taylor Family Foundation and a Merton Arts Development Grant

4. TRAINING PROGRAMME

Merton Music Foundation provides a wide range of services for schools as part of its Training Programme including

- Advice on all aspects of music education,
- Professional development courses for classroom and instrumental teachers,
- Termly meetings for teachers involved in Music Education to share expertise and information,
- Publications, leaflets and reports on Music Education,
- Regular newsletters and information on services provided by the MMF

Courses during the year included

Music Co-ordinator Meetings

Meetings took place on Tuesday 2 November 2010 (41 attendees), Tuesday 1 March 2011 (26 attendees) and Tuesday & June 7 (23 attendees). Teachers were given advice and training on a range of new resources, including the 'Pop4Schools' IT software package, the Musical Bridges transition programme (a national pilot programme in which some Merton schools are participating) and consulted on developments of MMF's 'Sound Ideas' Programmes of Study. Presentations were given by representatives from Polka Theatre and the Siobhan Davies Dance Company, with a focus on teacher consultation, workshop developments and CPD, including the 'Big Dance' programme. Teachers were given an outline of MMF's proposed 'ArtsBeat' Festival curriculum project for 2011/12 and shown practical ideas and strategies for using instruments and simple arrangements successfully and effectively in the classroom.

Miscellaneous Continuing Professional Development

- **Bespoke Training**

MMF's Deputy Director and the AST for Primary Music provided a wide variety of 'bespoke' training and support to individual schools and school staff, including support for 'non-specialist' teachers, choral and recorder development, planning for progression and assessment and evaluation. Assessment and evaluation will be a major focus for CPD during 2011/12, with pilot work being currently undertaken.

- **Merton Schools Adult Singers**

The MSAS met for 7 sessions per term in the autumn, spring and summer of 2011. The group, aimed at 'non-specialist' primary teachers, rehearsed fortnightly to learn a range of activities and songs to take back into the classroom, to help build core musical skills and understanding through a vocal approach. Members also had the opportunity to sing as a choir, tackling a range of material from gospel and classic soul songs to madrigals and excerpts from the musical 'Rent'. In an exciting new development, from September 2011, members of this group will form the core of a brand new weekly community choir, the Wimbledon Community Chorus.

- **In2Music**

Programme tutors and class teachers on the instrumental strand met for a twilight session in September, to familiarise themselves with the broad objectives and outcomes of the programme, share planning and core material. Teachers due to deliver 'In2Recorder' met for an initial half-day training session in October. This was followed by two additional twilight workshops and several 'bespoke' in-school visits, to provide additional support where needed. A second and third tier of CPD has been developed to effectively support and develop the skills of teachers who are in their 2nd or 3rd year of delivering 'In2Recorder'.

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- **TrinityGuildhall / OU KS2 Music Training Programme**

MMF continued to work in partnership with TrinityGuildhall, the OU and Kingston Music and Arts Service to support a group of local tutors and teachers to complete this government-funded training programme, aimed at professionals who are engaging (or intend to engage) with a Wider Opportunities programme. In August 2011 a group of MMF instrumental tutors and class-based teachers successfully completed a wide range of modules, supported by mentors selected from within MMF's SMT, Curriculum Team and Music Coordinators group.

ACHIEVEMENTS AND PERFORMANCE

The 2011-12 financial year continues to see significant achievements in each of the charity's 4 programmes of activity.

1. INSTRUMENTAL MUSIC PROGRAMME

The main features

- The number of tuition hours provided in schools increased by 5.1% from 15,330 to 16,110 over the year,
- The number of pupils receiving regular weekly tuition and vocal lessons over the year increased from 1427 to 1515 continuing the upward trend that took place in 2008/09 and 2010/11,
- 71% of those learning were taught on an individual basis (20 or 30-minute lessons), 14% were taught in shared lessons and 15% were taught in groups of three or more,
- 4851 music lessons were delivered in schools and at the Music Centre, a 0.5% decrease on last year's total of 4874,
- The gender balance between girls and boys learning to play a musical instrument changed little with 55.3% girls and 44.7% boys learning a musical instrument,
- Access by Key Stage saw 4.8% of pupils receive tuition at KS1, 51.8% at KS2, 27.3% at KS3, and 16.1% at KS4 and above,
- Access by Phase saw 64.8% receive tuition in primary Schools, 20.6% in secondary schools and 14.6% at the Music Centre,
- 159 pupils benefited from the MMF's Trust Fund over the year. This figure has decreased by 29.9%. This is largely put down to the continuing impact of the recession over the past year,
- The number of instruments on hire during the year decreased slightly to 286. This was a 7.1% decrease on last year of 308. Again, this is put down to the continuing impact of the recession over the past year. These funds are used to support the charity's Trust Fund remission scheme.

2. MERTON YOUTH MUSIC PROGRAMME

Music Centre activities have built on the 'Tune In Year of Music' 2009/10 initiative and developed new pathways for progression and a commitment to develop Music Centre as a centre of excellence.

The main features were

- The number of students involved in Music Centre activities decreased this year by 13% from 387 to 335, with total membership of ensembles reaching 548,
- 21 groups were provided for musicians to take part in. These included a concert orchestra, 4 concert bands, 2 jazz orchestras, 3 choirs and 13 instrumental ensembles of varying sizes and levels,
- Two open 'Hands-On' days were held during the year, providing the opportunity for over 100 children to try out musical instruments under the guidance of MMF's tutors. Significantly, as a result of these, there was an encouraging take-up of tuition in less common instruments,
- A new 'strictly' series (group tuition on endangered instruments for one term only) has successfully run with each term having a different instrumental group focus. Take-up rates are pleasing with significant numbers of children learning new instruments.

Our bands, orchestras, choirs and ensembles were involved in a number of significant events during the year.

- Christmas Junior Concert at St Mark's C of E Academy,
- Christmas Senior Concert at St Mark's C of E Academy,
- Mayor of Merton's Carol Service at St Mary's Church, Wimbledon,
- 'Big Double Reed Day' at the Guildhall School of Music & Drama,
- St Cecilia's Day Recorder Celebration at Kings College School, Wimbledon.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

- St Cecilia's Day Celebration for Secondary Schools at St Mark's C of E Academy,
- MYCB performance at Winter Wonderland in Centre Court Shopping Wimbledon,
- VoiceBox performance at Christmas Concert in St Paul's Covent Garden,
- String Sinfonia with the Orchestra of the Age of Enlightenment (OAE) at the Queen Elisabeth Hall,
- String Masterclass with the OAE at Wimbledon College,
- String Masterclass with Dan Shilladay,
- 'Charity Jazz Night' for MYJO and MYJO2,
- 'Music is for Life!' at the Royal Albert Hall involving massed Primary Choirs and the majority of MMF ensembles,
- All Merton string players involved in a 'String Workshop Day' with the OAE,
- Performances by MYCB and MYJO at the Semi-finals of the Wimbledon Tennis Championships,
- Performance by Merton Youth Concert Band as part of the South Park Gardens Festival,
- MMF 'Summer Serenade' concerts at St Mark's Academy,
- Merton Youth Music Tour to Croatia (MYCB and MYJO)

3. TRAINING PROGRAMME

The main features

- Over 90 teachers and school staff received training through the charity's 'Music is for Life 2011' 'With One Voice' project,
- 50+ staff received training through various strands of the MMF's 'Sing Outside' and 'In2Music' programmes,
- A series of Professional Development courses were provided for classroom and instrumental practitioners and mentors on the Trinity Guildhall/OU KS2 Music programme,
- 3 termly meetings were provided for Primary Music Co-ordinators in Merton schools to share expertise and information,
- 35 school staff received on-going support and training in 2010, provided through MMF's teachers' choir – 'The Merton Schools Adult Singers',
- Various publications, leaflets and reports on music education were sent to schools,
- Telephone advice on various aspects of music education was provided for schools and the public

4 PROJECT DEVELOPMENT PROGRAMME

The main features

- One large-scale curriculum project, part of 'Music is for Life 2011' was provided free of charge for schools. Over 1,000 KS2 pupils and 100 school staff from 24 Merton Primary schools engaged with this performance project. The number of musicians (singers and instrumentalists) involved in the final performance totalled approximately 1,500,
- A project was delivered to students from St Ann's and Cricket Green Special Schools as part of 'Music is for Life 2011',
- MMF worked in partnership with Polka Theatre on the 'All Join In' project with students from St Ann's Special School,
- 1,982 KS2 pupils and 50 school staff members from 29 Merton primary schools took part in Wider Opportunities 'In2Music' instrumental or recorder programmes during the 2010-11 financial year,
- 'St Cecilia's Day 2010' was marked by a series of in-schools performances (formal and informal) involving large numbers of KS1 and 2 pupils. Enhanced opportunities to participate and perform on the day were provided for around 500 students across KS2, 3 and 4,
- Continued collaboration with the 'Orchestra of the Age of Enlightenment' provided 3 high-quality performing opportunities for string players in the Borough

Peer Review

During 2010-11, the final two stages of the MSEP process was completed and the charity built on the first phase of the moderation, which included rigorous self-evaluation, scrutinising and making judgements on all aspects of its service provision. A central aspect of the evaluation was the moderation of judgements made by the service, and of the evaluation and review process itself, by an external Music Service Evaluation Partner (MSEP). This moderation was funded by the DfE and coordinated by the Federation of Music Services (FMS).

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

The final report was published in December 2010. The agreed judgement was that *"Merton Music Foundation has made outstanding progress and overall its work is good with many outstanding features. It has strong, forward-looking leadership and as an independent charity, it is ideally placed to move forward in the new political and economic environment. It has the capacity and the will to deliver work on behalf of the local authority and the community and to be at the centre of the development of music education in Merton and beyond."*

Agreed recommendations from the review included

- Continuing the drive to raise standards of teaching and learning through rigorous recruitment and selection, induction and systematic monitoring of tutors' work,
- Developing an integrated training plan based on monitoring and evaluation that brings all areas of the service's operations together and provides a focus for development post 2011,
- Developing a new student council for music centre activities,
- Building on the excellent relationship the service has with schools, community groups and national organisations for the benefit of young people in Merton

A full copy of the report is available from Merton Music Foundation

PLANS FOR THE FUTURE

The year has seen the publication of the Music Education in England Review by Darren Henley (February 2011). The report commended the role of music education and proposed 36 recommendations to help focus access and accountability of public funds spent on music activities for children and young people.

It is expected that 2011/12 will see the publication of the National Plan for Music Education, which will take forward the recommendations and set out a central vision for schools, arts and education organisations to drive excellence in music education.

Partnership and collaboration are likely to be central to the success of the plan. It is also expected that new music education 'hubs' will be at the heart of this new development. Hubs will be expected to form strong partnerships with local authorities, schools, music organisations, practitioners and communities to provide high quality music education across the whole country - while delivering better value for money and greater accountability.

To prepare for the above changes, the Foundation is currently consulting with a wide range of partners to reshape its services so that they are in line with the NMEP requirements and to begin preparing the way for its bid to secure public funds from April 2012.

The following is a brief overview of the Foundation's plans for the future:

- Merton Music Foundation will be putting itself forward as the Lead Hub Organisation for Merton,
- The Merton Music Hub will be an active network of organisations working together and committed to building a secure foundation for music and music education in Merton. The hub will be managed and developed by the Foundation as one of its key operations from September 2012,
- MMF will be applying for funding for hub activity from 1 September 2012 - 31 August 2015,
- Given that MMF has a strong track record of 20 years of high quality local music education delivery it is best placed to coordinate Merton's local response,
- The new partnership will include Merton local authority, Merton schools, other hubs in South West London and national, regional and local arts/music organisations. We will also be working closely with the Greater London Authority, Youth Music, Sing-Up and a number of community and voluntary arts organisations, some of which are Arts Council England National Portfolio Organisations,
- A new strategic group will be developed that will be responsible to the Trustees of MMF. This will become the body that will deliver funding applications to grant providers and oversee the work of the Merton Music Hub. The group will be chaired by and report to the Board of Trustees,
- It is expected that our application will be aligned with at least one local authority boundary (Merton). All state educated children within the local authority area (including academies and free schools) will be covered by our application.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

FINANCIAL REVIEW

The Foundation's year end is 31st August, and the accounts are audited annually. The accounts and their explanatory notes are set out on pages 18 to 27.

2010/11 has been one of the most challenging financial years for the Foundation with Central Government and Local Government both reducing grant levels during the year. This sadly has resulted in staff redundancies, reductions in hours for our curriculum leaders and an extra increase in fees from 1st April in order to balance the charity's accounts.

Despite these unwelcome external financial pressures, MMF has still managed to achieve its predicted target of a £10K gain for the year, supporting the trustees' aim of rebuilding the charity's unrestricted reserves over the next three years.

Key trends for the year included

Income

- Income was £1,049,379 in comparison with £946,361 for the previous year, an increase of 10.9%. This was primarily due to increases in tuition fees and Music Centre fees, and increased activity in terms of tours and major concerts such as our Music is for Life concert at the Royal Albert Hall.
- Donations at £15,801 were up from £6,611. This was largely as a result of the Foundation's involvement in the 'Big Give' Christmas Challenge, which raised an incredible £9,810 for the charity.
- The Foundation received a grant in the year from the Federation of Music Services of £32,300. The grant's use is restricted to the purchase of musical instruments for use by children at KS2 and for transition between KS2 and KS3.
- Grants from the Government (DfE) and Merton Local Authority decreased by 5.6% from £308,338 in 2010 to £291,199 this year. This was due to unexpected reductions in grant levels that came into effect on 1st April.
- Income from music tuition, Music Centre fees and other similar income streams, was up by 20.7% from £595,079 in 2010 to £717,984, mainly due to required increases in tuition and music centre fees following the unplanned reductions in public subsidy, and increases in income from concerts and tours, which was significantly up on the previous year.
- Investment income showed a return of only £53 on MMF's short-term deposits. This is due to interest rates, which have continued to remain very low during this financial period.

Expenditure

- Expenditure for the year was £1,038,481 in comparison with £963,038 for 2010, an increase of 7.8%.
- The only activities where the percentage of total expenditure increased are 'Tours and Concerts' and 'Project Development'. This reflects the overseas tour to Croatia and the charity's Music is for Life concert, neither of which took place in 2010.
- Cost of activities in furtherance of the charity's objectives was £981,258 and Governance costs were £57,223.
- Governance costs as a percentage of the total is down from 6.0% to 5.5%, a decline in the proportion of administrative costs to total showing how efficiently the charity operates.
- Taking into account income and expenditure, the charity realised an operational surplus of £10,898 for the year before revaluations and investment asset disposals. This compares with a deficit of £16,667 in 2010, which was directly attributed to the impact of the recession. This surplus is in line with the trustees' policy of rebuilding the charity's reserves over the next three years.

Unrestricted and Restricted Funds

- Restricted funds, principally representing amounts held by MMF for particular restricted purposes within the objects of the charity, amounted to £61,475 and were made up of funds received from the Federation of Music Services for the purchase of musical instruments and funds transferred from the Ronald Greenwood Music Trust. Expenditure from this fund has been capitalised and is shown in note 17 of Notes to the Financial Statements.
- Unrestricted funds increased from £39,749 in 2010 to £53,718 and are in line with the intended reserves policy of one month's operational costs.
- Further increases in income from music centre fees and concert receipts are planned for 2011-12, which will help further build the charity's unrestricted reserves.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

- The Trustees are in negotiations with the London Borough of Merton to reduce rent and letting costs for the use of Merton owned premises. If successful, this will help reduce running costs and enable the charity to rebuild its reserves,
- The Trustees are also investigating the possibility of new income sources from a new arts centre development that will help diversify the charity's income and protect it from future downturns in the economy

Reserves Policy

It is the policy of the charity to seek to maintain unrestricted funds, which are free reserves of the charity at a level, which ideally equates to at least one-month's unrestricted expenditure and over time to build up reserves towards the prudent amount of three months as recommended by the Charity Commission

These reserves are to provide sufficient funds to cover management, administration and operational costs over the stated period and for the purchase of necessary equipment and any other unforeseen capital costs. The long-term aim is to see improvement in the level of reserves. The Trustees review this policy annually.

Surplus/Deficit

The Trust aims to make a small surplus year on year. Any projected deficit is managed through monthly monitoring meetings between the CEO and Deputy Directors who have operational responsibility for the charity's four programmes. If the deficit becomes an actual the Board of Trustees agree to cover the amount through use of reserves. In this case, the Trustees will undertake through their budgetary planning to project a surplus for the following year.

Investment Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Trustees see fit.

The grant from the Government's Department for Education and Skills 'Standards Fund' is specifically allocated to the expansion and development of the Foundation's music education services.

The charity has a policy to keep any surplus liquid funds in an interest bearing deposit account and seek to achieve a rate of interest, which matches or exceeds inflation. From time to time short-term deposits are deposited weekly or monthly on Treasury depending on the availability of reserves and having regard to the liquidity requirements of operating the Foundation.

Risk Management

The Trustees have examined the major strategic, business and operational risks, which the charity faces, and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to decrease these risks.

Public Benefit Statement

The Charities Act 2006 requires all charities to consider explicitly how their charitable objectives are carried out for the public benefit, therefore, the Trustees of the charity must ensure that they carry out the objectives of the charity for the public benefit and to report on the charity's public benefit in their Annual Report.

The primary object of Merton Music Foundation is to "*advance musical education within the framework of the arts for the benefit of the public in the London Borough of Merton and elsewhere*". In undertaking the charitable objectives of MMF, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The main activities of the charity, and those we try to help, are those for children and young people in and around the London Borough of Merton to whom we aim to provide musical opportunities of the highest standard.

Charity trustees have a duty to report in the Trustee's Annual Report on their charity's public benefit.

They should demonstrate that

- The benefits generated by the activities of the charity are clear. This report sets out in detail the activities, which Merton Music Foundation has carried out in the year to further its charitable objective,
- The benefits generated relate to the objects of the charity. All activities undertaken are intended to further Merton Music Foundations' charitable objects, as summarised above,

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2011

- The people who receive support are entitled to do so according to criteria set out in the charity's objects,
- All the Foundation's projects are centred on children and young people, some of which are from disadvantaged backgrounds and some of which are from challenging circumstances

The Trustees have therefore satisfied themselves that Merton Music Foundation meets the public benefit requirements and they confirm that they have taken due regard of the Charity Commission's general guidance on public benefit

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees, who are also directors of Merton Music Foundation for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

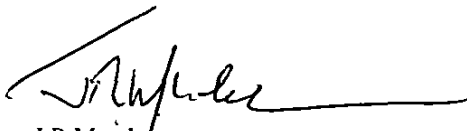
DISCLOSURE OF INFORMATION TO AUDITORS

To the knowledge and belief of the trustees, there is no relevant information that the charity's auditors are not aware of, and the trustees have taken all the steps necessary to ensure the trustees are aware of any relevant information, and to establish that the charity's auditors are aware of the information.

AUDITORS

The auditors have expressed their willingness to continue in office and will be deemed to be reappointed under section 487 of the Companies Act 2006.

Approved by the trustees on 6 February 2012 and signed on its behalf by



J R Mander
Company Secretary

MERTON MUSIC FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERTON MUSIC FOUNDATION

We have audited the financial statements of Merton Music Foundation for the year ended 31 August 2011 which comprise of the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 12 of the Companies Act 2006. 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.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2011, 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.

EMPHASIS OF MATTER

We draw attention to the disclosure made in note 1(l) to the financial statements concerning the uncertainty of future grant funding for the company and the impact on the company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

MERTON MUSIC FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERTON MUSIC FOUNDATION

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report

WSM Advisors Ltd

Wendy Patterson (Senior Statutory Auditor)
for and on behalf of WSM Advisors Limited, Statutory Auditor
Registered Auditors and Chartered Accountants

Pinnacle House
17-25 Hartfield Road
LONDON
SW19 3SE

7/2/12

MERTON MUSIC FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2011 (INCOME AND EXPENDITURE ACCOUNT)

	<i>Notes</i>	<i>Restricted funds</i>	<i>Unrestricted funds</i>	<i>2011</i>	<i>2010</i>
INCOMING RESOURCES					
Incoming resources from generated funds					
Activities for generating funds	2	18,842	312,500	331,342	351,239
Investment income	3	5	48	53	43
Incoming resources from charitable activities					
In furtherance of the charity's objectives	4	-	717,984	717,984	595,079
Total incoming resources		18,847	1,030,532	1,049,379	946,361
RESOURCES EXPENDED					
Charitable activities	5	21,858	959,400	981,258	905,146
Governance costs	6	-	57,223	57,223	57,892
TOTAL RESOURCES EXPENDED	7	21,858	1,016,623	1,038,481	963,038
Net incoming/(outgoing) resources before transfers revaluations and investment asset disposals	9	(3,011)	13,909	10,898	(16,677)
Transfers		(60)	60	-	-
Net incoming/(outgoing) resources before revaluations and investment asset disposals		(3,071)	13,969	10,898	(16,677)
Total funds brought forward		64,546	39,749	104,295	120,972
TOTAL FUNDS CARRIED FORWARD		61,475	53,718	115,193	104,295

All of the results relate to continuing activities

The charity has no recognized gains or losses other than the results for the year as set out above

The notes on pages 20 to 27 form part of these financial statements

MERTON MUSIC FOUNDATION

BALANCE SHEET AT 31 AUGUST 2011

	<i>Notes</i>	<u>2011</u> £	<u>2010</u> £
FIXED ASSETS			
Tangible assets	11	67,934	62,227
CURRENT ASSETS			
Stock	12	1,746	949
Debtors	13	30,074	29,766
Cash at bank and in hand		164,678	165,011
		196,498	195,726
Creditors: amounts falling due within one year	14	(149,239)	(153,658)
NET CURRENT ASSETS		47,259	42,068
NET ASSETS		115,193	104,295
FUNDS			
Unrestricted funds	15	53,718	39,749
Restricted funds	16	61,475	64,546
TOTAL FUNDS CARRIED FORWARD	17	115,193	104,295

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the board of directors on 6/2/12 and signed on its behalf

 J R MANDER

 D J MERRIMAN

COMPANY REGISTRATION No. 02590621 (England and Wales)

The notes on pages 20 to 27 form part of these financial statements

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2011

1 ACCOUNTING POLICIES

The principal accounting policies which are adopted consistently in the preparation of the financial statements are set out below

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and are in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005 revised), generally accepted accounting practices in the United Kingdom and the Companies Act 2006

b) Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

c) Incoming resources

Incoming resources represent tuition fees and income from concerts and tours, hire of instruments, subscriptions, inset and others rendered during the year. Donations and other income are included in the year in which they are received

As the company's principal activity is to provide music education, it is exempt from Value Added Tax and does not recover Value Added Tax on its expenditure

d) Resources expended

Resources expended are recognised in the year in which they are incurred. Resources expended include attributable Value Added Tax which cannot be recovered

Expenditure for charitable purposes

Direct charitable expenditure includes all expenditure directly related to the objectives of the charity and comprises the costs of providing instrumental tuition, tours and concert performances and education and community projects undertaken by the charity and is accounted for when payable. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities

Governance costs

Governance costs represent expenditure incurred in the management of the company's assets, organisational administration and compliance with constitutional and statutory requirements

e) Tangible fixed assets and depreciation

Tangible fixed assets are included in the balance sheet at cost or at market value at the date of the gift

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are

Music and instruments	25%	on reducing balance basis per annum
Office equipment	25%	on reducing balance basis per annum
Computer equipment	25%	on reducing balance basis per annum

f) Stocks

Stock and work in progress is valued at the lower of cost and estimated net realisable value

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

g) Pension scheme

The charity contributes to the Teachers Pension Scheme on behalf of the teaching staff and also contributes to defined contribution pension schemes which have been arranged for members of staff, who are not eligible to join the Teachers' Pension Scheme

Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charity in the year

h) Hire purchase and lease transactions

Rentals under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease

i) Fund accounting

The funds held by the charity are either

- *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees
- *Designated funds* - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects
- *Restricted funds* - these are funds that can be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes

P Wooding's bursary fund

These funds have been designated by the charity to support exceptional young musicians at the request of Peter Wooding's family. The fund was established with donations made to the charity. The charity held sufficient cash balances at the year end to allow the funds to be applied as intended.

Greenwood bursary fund

The Greenwood bursary fund was established in the year by the charity from funds transferred to it from the Ronald Greenwood Musical Trust by the London Borough of Merton who had previously operated the trust. The fund will be operated in accordance with the Ronald Greenwood Musical Trust deed and an annual award will be made to a young musician who shows great promise. The charity held sufficient cash balances at the year end to allow the fund to be operated in accordance with the Trust deed.

Federation of Music Services

The charity received a grant in the year from the Federation of Musical Services of £32,300. The grants use is restricted to the purchase, lease or repair of musical instruments suitable for use with children in KS2. The charity held sufficient cash balances at the year end to allow the funds to be applied as intended.

j) Grants receivable

Grants receivable and local authority fees are credited to the statement of financial activities in the period to which they relate. Deferred income represents amounts received in respect of the future periods.

k) Taxation

As the company is a registered charity, it is exempt from corporation tax on its charitable activities.

Gift aid donations are received net of tax and credited to the appropriate fund in the year received. The tax credit recoverable from Her Majesty's Revenue and Customs is also credited to the appropriate fund when received.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)

1 ACCOUNTING POLICIES (CONTINUED)

1) Going concern

The Trustees have prepared the financial statements on a going concern basis on the assumption that the Charity will continue to meet its liabilities as they fall due

The Charity has been advised that the Music Standards Fund grant, that was received by the London Borough of Merton from the Department for Education and then allocated to the Charity, ends on 31 July 2012. The Borough's current accommodation grant will also be withdrawn during 2012 as part of these changes.

The Trustees are seeking replacement grant funding from Arts Council England, the London Borough of Merton and other sources. The alternative funding has not yet been secured and the Arts Council England national announcements are not due until April 2012. The Trustees are also taking steps to further reduce the costs of the Charity, including renegotiating the annual rent charge for the property it uses.

In the event that sufficient alternative grant funding cannot be secured, the Trustees have restructuring plans which can be put in place and which should enable the Charity to continue as a going concern in the event this is in the best interests of the Charity.

2 ACTIVITIES FOR GENERATING FUNDS

	<i>Restricted funds</i> £	<i>Unrestricted funds</i> £	<i>2011</i> £	<i>2010</i> £
Donations				
Donations	-	15,801	15,801	6,611
Grants receivable				
Music Education Services	-	291,199	291,199	308,338
London Borough of Merton	-	5,500	5,500	4,340
Federation of Music Services	18,842	-	18,842	31,950
	18,842	296,699	315,541	344,628
TOTAL GRANTS RECEIVABLE AND DONATIONS	18,842	312,500	331,342	351,239

3 INVESTMENT INCOME

	<i>Restricted</i> £	<i>Unrestricted</i> £	<i>2011</i> £	<i>2010</i> £
Bank interest receivable	5	48	53	43

4 ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTIVES

	<i>2011</i> £	<i>2010</i> £
<i>Unrestricted funds</i>		
Tuition fees	550,882	491,360
Hire of instruments	23,978	24,206
Music centre subscriptions	57,535	48,615
Concert and tour receipts	66,165	15,862
Fees - inset	5,527	1,373
Instruments - replacements	305	-
Other income	13,289	13,531
Hire - repairs to instruments	303	132
	717,984	595,079

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)

5 COSTS OF ACTIVITIES IN FURTHERANCE OF CHARITY'S OBJECTIVES

Provision of charitable services:

	<i>Total 2011 £</i>	<i>Total 2010 £</i>
Instrumental tuition	427,467	442,457
Youth music programme	150,911	162,664
Tours and concerts	101,717	51,519
Professional advice and support to schools	26,936	27,959
CPD training	28,876	29,813
Project development	169,647	115,390
Instrument hire and repair	75,704	75,344
	981,258	905,146

Analysis of provision of charitable services:

	<i>Staff costs £</i>	<i>Other direct costs £</i>	<i>Depreciation £</i>	<i>Allocated other costs £</i>	<i>Total 2011 £</i>	<i>Total 2010 £</i>
Instrumental tuition	113,178	299,232	-	15,057	427,467	442,457
Youth music programme	63,632	83,838	-	3,441	150,911	162,664
Tours and concerts	35,958	62,318	-	3,441	101,717	51,519
Professional advice and support to schools	26,936	-	-	-	26,936	27,959
CPD training	26,725	-	-	2,151	28,876	29,813
Project development	99,280	68,216	-	2,151	169,647	115,390
Instrument hire and repair	41,800	4,780	20,520	8,604	75,704	75,344
	407,509	518,384	20,520	34,845	981,258	905,146

Included in instrumental hire and repair costs is a total of £17,125 and included in project development costs is a total of £4,733 relating to restricted funds

6 GOVERNANCE COSTS

	<i>Staff costs £</i>	<i>Other direct costs £</i>	<i>Depreciation £</i>	<i>Allocated other costs £</i>	<i>Total 2011 £</i>	<i>Total 2010 £</i>
Salaries	30,314	-	-	-	30,314	31,718
Pension costs	3,004	-	-	-	3,004	3,161
Audit fees	-	5,760	-	-	5,760	6,215
Bookkeeping	-	3,917	-	-	3,917	3,629
Bank charges	-	3,761	-	-	3,761	1,990
Sundries	-	169	-	-	169	35
Depreciation	-	-	2,125	-	2,125	2,419
Allocated support costs	-	-	-	8,173	8,173	8,725
	33,318	13,607	2,125	8,173	57,223	57,892

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)

7 TOTAL RESOURCES EXPENDED

	<i>Staff costs</i> £	<i>Other direct costs</i> £	<i>Depreciation</i> £	<i>Allocated other costs</i> £	<i>Total funds 2011</i> £	<i>Total funds 2010</i> £
Direct charitable expenditure	407,509	518,384	20,520	34,845	981,258	905,146
Governance costs	33,318	13,607	2,125	8,173	57,223	57,892
	<u>440,827</u>	<u>531,991</u>	<u>22,645</u>	<u>43,018</u>	<u>1,038,481</u>	<u>963,038</u>

8 STAFF NUMBERS AND COSTS

	<i>2011</i> £	<i>2010</i> £
Staff costs:		
Wages and salaries	367,362	382,076
Social security costs	27,607	28,744
Other pension costs	39,849	42,056
	<u>434,818</u>	<u>452,876</u>

The average number of full-time equivalent employees (including casual and part time staff) during the year was as follows

	<i>2011</i> <i>Number</i>	<i>2010</i> <i>Number</i>
Trading operations	<u>11</u>	<u>12</u>

There was one employee who received remuneration of more than £60,000 during the year. This employee earned between £60,000 and £70,000. A total of £8,462 was paid to the Teachers' Pension Scheme in the year for this employee.

No remuneration or reimbursed expenses were paid to any of the trustees during the year in their capacity as trustees (2010: £nil).

9 NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

This is stated after charging

	<i>2011</i> £	<i>2010</i> £
Staff pension contributions	39,849	42,056
Depreciation	22,645	20,742
Auditors' remuneration		
as auditors	3,600	3,525
other services	2,160	2,690

10 TAXATION

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

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)

11 TANGIBLE FIXED ASSETS

	<i>Computer equipment</i> £	<i>Office equipment</i> £	<i>Music and instruments</i> £	<i>Total</i> £
Cost:				
At 1 September 2010	25,831	26,391	141,883	194,105
Additions	1,812	-	26,540	28,352
At 31 August 2011	27,643	26,391	168,423	222,457
Depreciation:				
At 1 September 2010	23,375	22,141	86,362	131,878
Provision for the year	1,067	1,063	20,515	22,645
At 31 August 2011	24,442	23,204	106,877	154,523
Net book value:				
At 31 August 2011	3,201	3,187	61,546	67,934
At 1 September 2010	2,456	4,250	55,521	62,227

12 STOCKS

	<i>2011</i> £	<i>2010</i> £
Stock	1,746	949

13 DEBTORS

	<i>2011</i> £	<i>2010</i> £
Trade debtors	20,865	8,231
Other debtors	9,209	21,535
	30,074	29,766

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<i>2011</i> £	<i>2010</i> £
Trade creditors	20,897	54,041
Accruals and deferred income	117,179	90,403
Other tax and social security	8,328	9,214
Other creditors	2,835	-
	149,239	153,658

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)

15 UNRESTRICTED FUNDS

	<i>Balance at 1 September 2010</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Transfers</i>	<i>Balance at 31 August 2011</i>
P Woodings bursary fund	5,355	43	(95)	60	5,363
General fund	34,394	1,030,489	(1,016,528)	-	48,355
	<u>39,749</u>	<u>1,030,532</u>	<u>(1,016,623)</u>	<u>60</u>	<u>53,718</u>

16 RESTRICTED FUNDS

	<i>Balance at 1 September 2010</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Transfers</i>	<i>Balance at 31 August 2011</i>
Greenwood bursary fund	9,680	5	-	(60)	9,625
Federation of Music Services	54,866	18,842	(21,858)	-	51,850
	<u>64,546</u>	<u>18,847</u>	<u>(21,858)</u>	<u>(60)</u>	<u>61,475</u>

The Federation of Music Services made a grant available to the charity during the year. The use of the grant is restricted to the purchase, lease and repair of musical instruments suitable for use with KS2 children.

17 ANALYSIS OF NET ASSETS AMONG FUNDS

	<i>Restricted funds £</i>	<i>Unrestricted funds £</i>	<i>2011 £</i>	<i>2010 £</i>
Fund balances at 31 August 2011 are represented by				
Tangible fixed assets	51,850	16,084	67,934	62,227
Net current assets	9,625	37,634	47,259	42,068
	<u>61,475</u>	<u>53,718</u>	<u>115,193</u>	<u>104,295</u>

18 LEASING COMMITMENTS

Operating leases

The company's annual commitments for rental payments under non-cancellable operating leases at 31 August 2011 were as set out below:

	<i>2011 Land and buildings £</i>	<i>2011 Other £</i>	<i>2010 Land and buildings £</i>	<i>2010 Other £</i>
Operating leases which expire				
Within two to five years	-	3,570	-	3,570

19 RELATED PARTY TRANSACTIONS

J R Mander is employed by the charity as Chief Executive Officer. J R Mander is also a member of the board of trustees.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)

20 COMPANY LIMITED BY GUARANTEE

The liability of the members is limited. Every member undertakes to contribute an amount not exceeding £1 to the assets of the company, in the event of the company being wound up whilst they are a member or within one year after ceasing to be a member, for the payment of the debts and liabilities of the company contracted before ceasing to be a member.

21 PENSION COSTS

Teaching staff employed by the charity are eligible for membership of the Teachers' Pension Scheme, which is a national, statutory contributory, unfunded defined benefit scheme administered by the Teachers' Pension Agency, an executive agency of the Department of Educational and Employment Pension costs are assessed in accordance with the advice of the Government Actuary. Contributions are paid in accordance with the rules of the Teachers' Pension Agency. From 1 April 2003, the employer contribution rate was 13.5%.

Five members of staff who are not eligible to join the Teachers' Pension Scheme participate in a defined contribution scheme to which the charity contributes.

The charity made contributions of £39,849 (2010: £42,056) during the year and £nil (2010: £363) was outstanding at the year end.

22 CONTROL

The charity was under the control of the board of trustees throughout the current and previous year.