

Merton Music Foundation

(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

For The Year Ended 31 August 2013

Charity Number: 1004122

Company Number: 02590621 (England and Wales)



MERTON MUSIC FOUNDATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

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MERTON MUSIC FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Merton Music Foundation
Other names the charity is known by	MMF
Registered Charity Number	1004122
Company Number	2590621 (England and Wales)
Registered Office	MMF Office, Chaucer Centre, Canterbury Road, Morden, Surrey SM4 6PX
Telephone	020 8640 5446
Fax	020 8646 6990
E-mail	admin@mmf.org.uk
Website	www.mmf.org.uk

Trustees

The trustees serving during the year and since the year end were as follows

David Merriman	Resigned 31/08/2013
Michael Collins	
Doreen Hewitt	
Rachel Jacob	
John Mander	Secretary
Ian Newman	Chair

Principal Officers

Senior Management Team

John Mander	Chief Executive
Soo Bishop	Programmes Director
Elisabeth Wigley	Programmes Director

Administration

Julee Awoonor-Gordon	Administration Manager
Julie Raper	Finance Manager

Advisers

Auditors	WSM Advisors Limited, Chartered Accountants & Registered Auditors Pinnacle House, 17-25 Hartfield Road, Wimbledon, London SW19 3SE
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Bankers	Lloyds TSB Bank plc, 83 High Street, Walton-on-Thames, Surrey KT12 1DU
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Solicitors	Bates, Wells and Braithwaite, 2-6 Cannon Street, London EC4M 6YH
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MMF is a member of the following national music organisations

The UK Association for Music Education – Music Mark
Making Music
Music Education Council

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

Chair's Statement

The beginning of this financial year also marked the start of a significant new era in the life of MMF. Under a new government initiative, MMF was successful in its bid to be appointed one of the nation's 123 Music Education Hubs. New ventures present new opportunities. They also present new challenges. To have successfully implemented a national plan of this scale with, in effect, only 3 months' notice is testament to the resolve and dedication of all the staff, and it is appropriate that, on behalf of the Trustees, this is recorded in my statement.

A full colour image of MMF's 2012 Music *is* for Life concert at the Royal Albert Hall featured as the front cover of "High Notes" (the official journal of Making Music - Autumn Issue 2012). This, together with an accompanying editorial contribution, was great recognition of MMF's continued high standing within the field of music education and provision.

I have always been encouraged by the Foundation's focus on "partnership" and "collaboration" in so many of its various activities. Under its Hub status, it is exciting to see further opportunities already arising where this is being developed even more creatively – especially with borough schools, and across all spheres of the social spectrum.

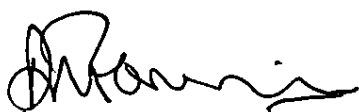
Detailed reference is made elsewhere in this report to a variety of events undertaken by the Foundation in conjunction with other arts organisations. For me, Wimbledon Music Festival provided an opportunity to experience this collaboration first hand. It was wonderful to see so many primary school children participating in a lively production "Petrushka", and just a few weeks later a polished performance, this time by secondary schools of "The Journey", a specially commissioned work.

Tours continue to provide excellent opportunity for social as well as artistic development, and collaboration was again evident this year in the "strings tour" undertaken jointly by four South London boroughs, with MMF acting as the lead facilitator.

Without doubt, the highlight of this past year was the Music *is* for Life concert held in April at the Royal Albert Hall. It was a flagship event, which again so clearly demonstrated the close partnerships developed by the Foundation with local schools. The numbers of pupils involved were staggering – over 1,200 in the choir alone – hundreds in the participating orchestras, bands, choirs and ensembles. Most moving was a specially commissioned musical drama performed by children with severe learning difficulties. It was a privilege and a delight, as Chair, to host invited officers, councillors and guests who were so evidently appreciative of the high quality of presentation and the breadth of participation.

Whereas this year has seen the start of a radical new initiative for the Foundation, for me it marks an end of a long and happy relationship with MMF as I retire as a Trustee at the end of the 2012/2013 financial year. Therefore, this is my final contribution to the Annual Charity Reports. In these enjoyable, yet sometimes challenging, twenty years much has changed. Much loved and respected staff, tutors and trustees have come and gone. But the core constant remains, and I am sure will continue to be, the earnest desire to introduce and nurture, regardless of age, ability and background, an interest in artistic expression, especially through the medium of music.

I am so grateful to have had the opportunity to serve alongside such loyal and gifted fellow trustees. It is right too that proper recognition is made of the pivotal role undertaken by John Mander, as Chief Executive, with whom I have the privilege and opportunity to work throughout these 20 years. I wish MMF continued success for the future.



David Merriman
Chair of Trustees (Retired 31/08/2013)
Merton Music Foundation

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

The Trustees, who are also the directors of the company for the purposes of the Companies Act, submit their annual report and the financial statements of Merton Music Foundation for the year ended 31st August 2013

Legal and administrative information set out on page 1 forms part of this report. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, Governance and Management

Governing Document

Merton Music Foundation 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. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisation

The Board of Trustees meets termly to manage the affairs of the charity. The Board consisted of five directors, from a variety of professional backgrounds, who are responsible for the overall 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.

Recruitment and Appointment of Trustees

The trustees are also the directors for the purpose of company 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 normally by recommendation with suitable business, education or charity experience sought. A curriculum vitae is required from candidates and existing Board members approve all applications. Vetting checks include ensuring candidates have not been disqualified from acting as a trustee and enhanced checks with the Criminal Records Bureau. All members of the Board give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Trustee Induction and Training

New trustee 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

MMF works closely with the Friends of Merton's Young Musicians (FMYM) (Charity No 274493-R). FMYM is the parents' association for our Music Centre activities, which are based at the Chaucer Centre. 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 2013

Objectives and activities

Who we are and what we do

Merton Music Foundation (MMF) aims to promote and support the highest quality music education for ALL

Our charitable purpose is *"To advance music education within a framework of the arts for the benefit of the public of the London Borough of Merton and elsewhere "*

Mission Statement

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

Activities

Merton Music Foundation was appointed the lead partner for the Merton Music Education Hub from 1 August 2012 to 31 March 2015. Music Education Hub funding is spent in accordance with Arts Council England guidance and supports the following priorities from **'The Importance of Music: A National Plan for Music Education'**

Core Roles

- 1 **First Access** - Ensure that every child aged 5 - 18 has the opportunity to learn a musical instrument (other than voice) through whole-class ensemble teaching programmes
- 2 **Ensembles** - Provide opportunities to play in ensembles and to perform from an early stage
- 3 **Progression** - Ensure that clear progression routes are available and affordable to all young people
- 4 **Singing** - Develop a singing strategy to ensure that every pupil sings regularly and that choirs and other vocal ensembles are available in the area

Extension Roles

- 1 **Continuous Professional Development** – CPD for school staff, particularly in supporting schools to deliver music in the curriculum
- 2 **Instrument Hire** - Provide an instrument loan service, with discounts for those on low incomes
- 3 **Live Music Opportunities** - Provide access to large scale and high quality music experiences for pupils, working with professional musicians and venues. This will include undertaking work to publicise the opportunities available to schools, parents/carers and students

Partnerships

Merton Music Foundation operates as part of the nationwide network of 123 music education hubs receiving grant funding from Arts Council England. MMF is the lead partner for the Merton Music Education Hub - a collection of organisations working in the local area to create joined up music education provision for children and young people, both in and out of school.

Current partners include Crown Lane Studio, Merton Children, Schools and Families Department, Innovate Teaching School Alliance, Merton Schools Forum, Orchestra of the Age of Enlightenment, Polka Theatre, Wandsworth Schools' Music Service, Wimbledon Music Festival and Wimbledon Civic Theatre Trust.

The charity is also an active member of the South West London Music Education Partnership, which consists of the music services of Croydon, Hounslow, Kingston, Merton, Richmond, Sutton and Wandsworth.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

Ensuring our work continues to deliver our charitable purpose

Both the Trustees and the charity's Senior Management Team review our aims, objectives and activities annually. The review examines what has been achieved and the outcomes of our work over the past twelve months. The review looks at the success of each role area and the benefits that have been brought to the various groups of people we work with. The review also helps us ensure that our aims, objectives and activities remain focused on our stated charitable purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in deciding what activities the charity should undertake for the 2012-13 financial year.

Delivery

Executive responsibility for delivery rests with the Chief Executive and the Senior Leadership Team who are full time employees of the Foundation and to whom all other employees report either directly or indirectly.

MMF aims to achieve the highest quality service provision by striving to provide the best opportunities in which to encourage learning through the National Plan's core and extension roles.

Building effective and secure partnerships is critical to our ethos of developing sustainable music education provision within the region. At the heart of this development is the Merton Music Education Hub, which builds on the existing structure of local, regional and national partnerships and levers support for the charity's various education activities.

Volunteers

FMYM meet regularly to administer the affairs of their charity, to arrange fund-raising events to support the work of Merton Music Foundation, and to help with concerts and other events provided by our charity. Over the years, FMYM's fund raising has enabled us to buy instruments, purchase sheet music for our groups, provide coaching for events like Music *is* for Life and Music for Youth festivals, and support the provision of overseas tours for our senior Youth Music groups.

Achievements and performance

The following summary provides an overview of our achievements and performance against the National Plan's Core and Extension Roles. The information is taken from our Annual Data Return to Arts Council England for the 2012-13 academic year.

CORE ROLES

1. First Access

Our First Access opportunities included a range of music making programmes for pupils from all phases, including provision for Special Schools.

- 831 Key Stage 2 pupils and 85 staff from 20 Merton Primary and 2 Special Schools participated in 'The Journey Project'. This included a series of half-day choral workshops culminating in a flagship performance at the Royal Albert Hall on 22 April 2013.
- 135 Key Stage 3 and 4 pupils from 6 Merton High schools participated in the 'The Journey Project'. This included a series of half day choral workshops culminating in two performances, as part of the International Wimbledon Music Festival and at our Music *is* for Life concert at the RAH. Many were new to choral singing, including some boys with changing voices.
- 18 Key Stage 2 and 3 pupils from 2 Special Schools participated in The Golden Heart project, culminating in a performance at the Royal Albert Hall.
- 816 Key Stage 2 pupils from 28 Merton Primary schools received In2Music WCET programmes.
- 18 KS3 students from Wimbledon College received a year long string programme on violin, viola, cello and double bass.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

- MMF delivered 2 'Strictly' programmes at Merton Music Centre to new beginners on double bass and French Horn with a follow on take up rate of 66.6%
- 2 'Hands On' workshops were held at Merton Music Centre, attended by 150 children and their parents. The team also delivered a morning 'Hands On' session to Year 7 pupils (240 students) at Ricards Lodge High School and KS2 pupils at Poplar Primary School
- 1,975 Primary children benefited from MMF's 'In2Recorder' programme in schools across the borough
- MMF also supported 2 after school clubs, 1 percussion and 1 'All Stars' singing club

2. Ensembles

Merton Youth Music provides a comprehensive range of 23 regular ensembles, including instrumental and choral provision from beginner to advanced level. New beginner ensembles were added for brass and wind players. We also reinstated KS2 Young Music Makers provision alongside Jazz Combo and Rock Styles, which are now well established and flourishing.

- 260 members of our Merton Youth Music programme performed in bands and ensembles at the 'Music is for Life' performance at the Royal Albert Hall on 22 April 2013 in April
- 46 senior wind, brass, string and percussionists received 2 intensive weekends of workshops with Pete Churchill, to prepare material for 'The Journey', performed at the RAH as part of the MIFL2013 mass performance
- 37 members of VoiceBox youth choir received a series of choral workshops with Pete Churchill, in preparation for 'The Journey'
- 10 members of VoiceBox received a 'Jump into Jazz' master-class in jazz singing for beginners, under a new 'Jump into' ensemble initiative. Two of these students subsequently went on to join the Merton Youth Jazz Orchestra as soloists at the MIFL2013 performance
- 54 members of the Merton Youth Concert Band participated in an 8-day tour to Austria and Germany in July 2013 and gave four performances to enthusiastic audiences abroad
- Our on-going partnership with Orchestra of the Age of Enlightenment further developed. String players went to France on a 4-day tour giving two public performances. Members travelled with OAE and had opportunity to rehearse with specialist coaching and perform in public concerts
- Merton, Wandsworth and Camden were involved in two days of rehearsals as part of MFYM's Capital Strings Project. Players performed in a cross borough string orchestra with Wandsworth. Senior string players took part in an OAE Remix concert at Cecil Sharp House
- OAE also worked with two 'associate' Merton schools last year (Cranmer and Merton Park) on a Year 5 vocal project, Year 4 WCET schools Concert and Key Stage 1 workshop at Kings Place with OAE orchestra
- 966 pupils from 27 Primary, Secondary and Special schools received a series of regular half day ensemble choral workshops between November and April, and sang in the performance of 'The Journey' at the RAH MIFL2013 event
- 18 pupils at Perseid and Cricket Green Special Schools received weekly workshops during the spring term, to develop ensemble material, which was incorporated into 'The Golden Heart' project, performed at the RAH MIFL2013 event
- 120 Key Stage 2 pupils from 4 local Primary schools received 3 half day workshops in preparation for a performance in the Mayor of Merton's Carol Service. 25 string and brass players from the MYM programme also participated in this event
- 111 Key Stage 1 and 2 pupils from Abbotsbury and Merton Abbey Primary schools developed ensemble material on the theme of Petrushka, through a series of 5 practical workshops, leading to an afternoon performance at St Mark's Church, Wimbledon
- 139 Key Stage 2 pupils and 14 staff from 6 schools took part in an all-day recorder 'Blow Out' workshop

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

3 Progression

The National Plan for Music Education promotes the importance of every child between age 5 and 18 having the chance to learn a musical instrument and or sing through structured activities. As part of this there is a strong emphasis on musical progression with all children - regardless of background - having the opportunity to sing and play in larger ensembles, every school providing singing opportunities and aspiring towards having an orchestra or large-scale ensemble.

During 2012-13, we supported this aim by providing the following opportunities:

- 28,590 instrumental and vocal lessons were delivered in schools and at Music Centres
- Lesson options offered ranged from 30-minute group, paired and 20/30 minute individual lessons
- MMF provides a charitable Trust Fund scheme to support children receiving Free School Meals or who can demonstrate a financial barrier to the uptake of tuition or participation in special activities (e.g. tours or offsite performance opportunities). During 2012-13, 119 students were supported by the scheme, which halves the cost of standard tuition and considerably reduces the cost of instrument hire
- Children completing Whole Class Ensemble Tuition programmes were offered a 'New Beginner Rate' with a 50% reduction in cost. This has resulted in an increase in numbers taking up small group lessons
- In2Recorder Whole Class Ensemble Tuition programme ensures that pupils who wish to continue can join small ensembles in school and have a range of extension performance opportunities. (This includes a Recorder Roadshow and masterclass for pupils working on the Merton Music Awards pilot)
- Students receive a yearly report from their tutor. Tutors are encouraged to liaise with parents through use of a MMF practice diary. We have future plans to devise an online profile for each student, whereby tutors can insert medium and long-term targets and exam results
- Music Centre groups now cater for every level from beginner to advanced, including concert bands, concert orchestra, string groups, 2 choirs, 2 jazz orchestras, jazz combo, rock group and various smaller ensembles. All groups regularly participate in Music for Youth and the larger senior groups form the basis of annual tours abroad
- Mentor Roles were introduced at Music Centre. 10 children from senior groups invited to become mentors to support junior groups – 1 vocalist, 2 percussion, 4 woodwind, 3 brass players
- Wimbledon College students were invited to participate in summer concert providing an opportunity for them to develop ensemble skills and experience. 3 students subsequently offered Music Centre scholarships
- Signposting of Gifted & Talented opportunities for students to access advanced training and performance with nationally recognised organisations including the NCO, LSSO, NYCGB, NYO, London Conservatoire junior departments, etc
- Mayors' Scholarships (G&T) MFYM Scholars are encouraged to be active members of Merton Music Centre, participating in at least two hours of ensemble activities. Pupils also receive a 20 minute individual lesson and are given opportunities to attend performances in London venues
- MMF is a recognised centre for ABRSM exams. During 2012/13, two sessions of exams held. December 2012, 43 children took exams. 12 passed with Distinction, 16 with Merit, 10 passed and 1 failed. May 2013, 62 children took exams. 8 passed with Distinction, 31 with Merit, 21 passed and 2 failed. Grades ranged from Prep- Grade 6
- MMF supported the formation of 3 new community ensemble groups for adults, so that students over the age of 21 and other members of the Merton community can continue with ensemble activities. MMF supports (1) Wimbledon Community Chorus - donation of planning time from its Programmes Director (conducts choir), provides lending resources and joint performance opportunities (2) Wimbledon Community Orchestra (conducted by MMF tutor) and (3) Wandle Band (conducted by MMF Curriculum Leader)

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

4 Singing Strategy

Merton Music Foundation provides a comprehensive singing strategy for its schools. All primary, secondary and special schools benefit from a structured programme of vocal work, which is led and supported by one of our Programmes Directors.

- During 2012-13, over 1,000 Key Stage 2 Primary and Secondary Key Stage 3+ pupils (from 20 Primary, 2 Special and 6 High Schools) and their teachers engaged with The Journey Project, which led to a flagship performance at the Royal Albert Hall in April 2013. They were joined by another 85 members of MMF's Merton Young Voices and VoiceBox choirs.
- Membership of MMF's two choirs (for Key Stage 2 upwards) remained strong throughout the year. One area to be addressed is the lack of boys within the senior choir. We are optimistic that it will be possible to build on new relationships developed during the 2013 Journey project in local High schools to help address this issue.
- A mass choir of 120 Key Stage 2 pupils from 4 Merton schools received a series of workshops and sang at the Mayor of Merton's carol service.
- Members of Merton Young Voices sang at the London Borough of Merton's Olympic Celebration event at the Baitul Futuh Mosque.
- VoiceBox recorded a track at Crown Lane Studio for Primary schools, linked to the SEAL topics, which has been distributed to all Merton Primary schools.
- Merton Young Voices and VoiceBox performed for the Young Voices organisation at St Paul's Covent Garden and at the termly MMF concerts at St Mark's Academy.
- A number of Merton schools participated in mass performances at the O2 Arena.
- 'Sound Ideas' was developed by our Programmes Director. This is a comprehensive and progressive programme of study which places singing at the heart of early musical development and is provided free of charge to all teachers in the borough.
- In2Music WCET programme and delivery tutors were given help and resources to incorporate into their planning.
- MMF vocal leaders delivered 66 half-day workshops between November and April as part of the Journey Project.
- 97.5% of teachers believed the Journey Project had fostered a positive attitude towards singing and had raised the standard of pupils' singing and general musicianship. 85% of teachers felt participation in the project had improved their own vocal skills and understanding of aspects of general musicianship. The project was highly endorsed by all participants and a full evaluation is available on request.
- Music Coordinators and Secondary Music Leaders across all Primary, Secondary and Special schools were emailed regularly (often weekly) with updated information on recommended resources. This included opportunities for CPD ('in house' and through nationally recognised organisations like Sound Connections, Sing Up and the Voices Foundation), performance projects and other aspects of professional practice (e.g. advice on how to start or develop a school choir).
- The Programmes Director and Advanced Skills Teacher also gave on-going informal advice to teachers on supporting singing and choral development in schools.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

EXTENSION ROLES

1 Continuous Professional Development

Schools

- Meetings were provided for Primary Coordinators (one per term, attendees 37, 16, 20) Topics included introduction to the National Music Plan, role of MMF as Hub Lead, Voices Foundation, introducing and ensuring progression on the recorder, assessment, and the 'With One Voice' singing strategy
- Training was delivered in partnership with SWLMEP for Secondary music subject leaders at City Hall (21/06/2013)
- MMF's Programmes Director (PD) and Primary Curriculum leader (PCL) provided pan-London CPD to teachers through Sound Connections and Sing Up
- PCL delivered bespoke CPD to 9 teachers from 11 schools (auditing resources, progression planning, constructing composition projects, evaluation/assessment)
- School-based staff received CPD as part of In2Music WCET programmes, including 4 new teachers to help deliver In2Recorder programme
- 16 teachers attended course on assessment and PCL delivered a day of model teaching for 6 staff and 115 EY/Y1 pupils
- 102 teachers received CPD as part of the following projects Petrushka (6), The Golden Heart (11) and The Journey (85)

Tutor Workforce

- Members of the London Vocal Project shadowed the PD during workshops for The Journey Project One LVP member developed a co-leadership role working closely with PD to help deliver an extensive series of school-based workshops
- Curriculum Team offered informal advice / guidance to tutor work-force
- Support provided to tutors leading/co-leading Merton Youth Music ensembles
- Primary Curriculum Leader delivered support for 39 peripatetic staff from Kingston Music Service

2 Instrument Hire

- A competitive instrument hire scheme was provided during the year to support instrumental learning
- 268 instruments were hired during the 2012/13 financial year
- Students eligible for Trust Fund support hired at no cost, other than a termly admin fee of £12
- Funds generated by our instrument hire scheme were used during the year to support the charity's Trust Fund remission scheme for disadvantaged children
- A partnership with Allianz Insurance provided discounted cover for parents hiring through MMF
- MMF continued to promote Arts Council England's 'Take it away scheme' with information included on our website at www.mmf.org.uk The scheme works by letting individuals spread the cost of buying a musical instrument with an interest-free loan of between £100 and £2,000 over 9 month period

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

3 Live Music Opportunities

- 1,400 children took part in 'Music is for Life' (Royal Albert Hall, 22/04/2013) This Involved 900 Key Stage 2 singers from 22 primary schools, 100 Key Stage 3 and 4 singers from 5 secondary schools, 278 members of Merton Youth Music Programme (MYM), 18 students from Cricket Green / Perseid special schools, 10 members of Panash Community Steel Orchestra and 10 members of St Mark's Academy Samba band
- 135 students from 6 secondary schools, 55 members of the VoiceBox youth choir and Merton Youth Jazz Orchestra performed 'The Journey' at a concert at St Paul's Church, Southfields as part of the International Wimbledon Music Festival
- Members of our MYM programme gave 4 concerts to parents and supporters over the year at St Mark's Academy
- Other events included MYJO and Concert Band performing at the Wimbledon Championships, members of our Brass Ensemble performing at St James Norlands Church, Holland Park with chamber choir Various OAE partnership concerts given and attended (See 2 Ensembles)
- 111 Key Stage 1 and 2 pupils from 2 schools performed in the Petrushka Project
- 120 Key Stage 2 pupils from 4 schools performed at the Mayor of Merton's Carol Service
- 25 members of Merton Young Voices performed for LBM at a local Mosque to celebrate the Olympics
- 50 KS2 pupils sang at 'Sing Outside' Picnic in the Park event

Future Developments

Our plans for the next twelve months have been designed to allow Merton Music Foundation to continue to deliver high quality music education, whilst also being mindful of its responsibilities to its staff, its client base and its future development as a charity

The plan outlines six key development areas

1 *Strengthening Merton Music Foundation's profile as a charity*

There is a need to strengthen MMF's role as a charity to ensure that the public fully understand the charity's aims, objectives and mission Central to this will be the importance of ensuring that such messaging is clearly articulated to our various client groups

2 *Developing greater independence*

Despite being a charity for over 20 years, many users still regard us as being part of the local authority Much of this has come from the success of our charity's work and the fact that we have developed a highly respected profile for delivering services that were once the responsibility of the local authority From 2013-14, we will reposition ourselves to strengthen this independence and to ensure that the charity is able to lead more effectively its growing Hub partnerships

3 *Increasing our fund raising capacity*

Much has been achieved during the 2012-13 financial year in terms of sourcing new charitable funds We intend to build on this by investigating the potential of developing an individual donor base for both current and past members We are also considering engaging a professional fund raiser to help support the charity's aims of developing greater independence A key focus for this will be the raising of funds to support new developments that will help unlock new income generation possibilities

4 *Securing continued grant funding*

It will be important to confirm that guaranteed funding from our key funders remains in place for the 2014-15 financial year and that this will be a catalyst in securing future support beyond March 2015 Currently the charity has received pledges of support up until the end of the current funding round by Arts Council England It will be important during the next year to begin the process of exploring ways in which future funding can be secured to further develop the hub partnership

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

5 *Building on our needs analysis*

We will explore with the Bridge organisation for London possible areas for development including incorporating Arts Award activities in to our existing work. This will be a priority that will be looked at during summer 2014. We will also develop plans to publish online our needs analysis for the benefit of all schools, parents/carers, young people and partners in the area.

6 *Increasing continuation rates*

Increasing the continuation rate from First Access to progression pathways is a key object for the 2013-14 academic year. We are currently exploring how new satellite music centres could contribute to this with a series of pilots that will help inform a wider roll out during 2014-15. Development also needs to be done to identify progression pathways outside of MMF activities. This will be an area for future website development from 2014 onwards.

Further details can be found in our Music Education Hub Business Plan. A downloadable copy is available on our website at www.mmf.org.uk

Financial review

2012-13 has been one of the most challenging financial periods for Merton Music Foundation since the 1990s. Reductions in public funding have continued year-on-year and have seen support levels from Government reduce by 19.6% in real terms since April 2011. This has resulted in a £15K reduction in our grant during 2012/13 and a further reduction of £28K for 2013/14 (Education financial years). This, compounded by reductions in parental spending due to the continuing recession, has created a very difficult financial climate for the charity to operate in.

The following provides an overview of performance for the year.

Income

- Income was £971,276 in comparison with £929,309 for 2011/12, an increase of 4.5%. This was primarily due to increased activity from concerts and tours.
- Donations at £31,315 were up significantly since 2011/12 (£7,398). This was due to increased Gift Aid reclaimed on donations and membership during the year.
- Public grants decreased in total by 6.5% from £269,791 in 2012 to £252,229 for this year. This was due to the reductions in grant levels from funding received from the Department for Education via Arts Council England during the 2011/12 and 2012/13 education financial years.
- Income from music tuition, Music Centre fees and other similar income streams, was up by 5.5% from £652,055 in 2012 to £687,667. This was largely due to increased activity from projects such as Music is for Life, increased income from Music Centre membership subscriptions, and training and other such income.
- Investment income showed a return of only £65 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 was £991,601 in comparison with £925,097 for 2012, an increase of 7.2%. Much of this was due to the additional costs of partnership and special project activity during the financial year.
- Cost of activities in furtherance of the charity's objectives was £933,825 and Governance costs were £57,776.
- Governance costs, as a percentage of the total is only 6.2% showing how efficiently the charity continues to operate.

Taking into account income and expenditure, the charity realised an operational deficit of £20,325 for the year (2011/12 gain of £4,212) before revaluations and investment asset disposals.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

Financial position at year end

- Total fund balances were £99,080, consisting of £60,322 unrestricted and restricted funds £38,758
- Restricted funds, principally representing amounts held by MMF for particular restricted purposes within the objects of the charity were primarily made up of funds transferred from the Ronald Greenwood Music Trust and funds received from the Federation of Music Services during 2010/11 for the purchase of musical instruments. Expenditure from this second fund had been capitalised within the accounts in prior years and is now reduced by depreciation associated with these capitalised assets. This is shown in note 15 of the Notes to the Financial Statements
- Unrestricted funds decreased from £73,500 in 2012 to £60,322. This is still in line with the intended reserves policy of ideally covering at least one month's operational costs

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, which was received from the Department for Education via the Federation of Music Services, is specifically allocated to the expansion and development of the Foundation's music education services. This grant purpose has continued with the funding now allocated by Arts Council England on behalf of the Department for Education

The Trustees do not consider it prudent to invest funds in stocks and shares, which are designed for the longer term. 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

Reserves Policy

It is the policy of the charity that unrestricted funds, which have not been designated for a specific use, should be maintained at a level equivalent to at least one-month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The policy is reviewed annually by the Trustees and the level of reserves assessed in light of prevailing conditions and known risks to the Charity's sources of funds

Surplus/Deficit

The Foundation aims to make a small surplus year on year. Any projected deficit is managed through regular monitoring meetings between the Chief Executive and Programmes Directors who have operational responsibility for the charity's 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

Risk Management

The Trustees have conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate exposure to the major risks the charity faces

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

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

- 1 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

- 2 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,

- 3 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

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year

In preparing these accounts, 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, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Disclosure of information to auditors

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

Auditors

A resolution proposing that WSM Advisors Limited be reappointed as auditors of the company will be put to the members

On behalf of the board of trustees



J R Mander

Trustee
Dated 8 February 2014

MERTON MUSIC FOUNDATION

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF MERTON MUSIC FOUNDATION

We have audited the financial statements of Merton Music Foundation for the year ended 31 August 2013 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in regulations made under section 154 of the Charities Act 2011. 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

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities set out on page 16, the trustees who are also the directors of Merton Music Foundation for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity'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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material

Opinion on 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 2013 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.

MERTON MUSIC FOUNDATION

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE TRUSTEES OF MERTON MUSIC FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion

- the information given in the Trustees' Report is inconsistent in any material respect with the
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit
- 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 Limited
Registered Auditors and Chartered Accountants

Pinnacle House
17-25 Hartfield Road
London
SW19 3SE

Dated *27 march 2014*

MERTON MUSIC FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
INCOMING RESOURCES					
<u>Incoming resources from generated funds</u>					
Activities for generating funds	2	88,515	195,029	283,544	277,189
Investment income	3	58	7	65	65
		88,573	195,036	283,609	277,254
<u>Incoming resources from charitable activities</u>					
Activities in furtherance of the charity's objectives	4	687,667	-	687,667	652,055
TOTAL INCOMING RESOURCES		776,240	195,036	971,276	929,309
RESOURCES EXPENDED					
Charitable activities		926,671	7,154	933,825	869,672
Governance costs		57,776	-	57,776	55,425
TOTAL RESOURCES EXPENDED	5	984,447	7,154	991,601	925,097
Net (outgoing)/incoming resources before transfers, revaluations and investment asset disposals		(208,207)	187,882	(20,325)	4,212
Gross transfers between funds	14,15	195,029	(195,029)	-	-
Net (outgoing)/incoming resources before revaluations and investment asset disposals		(13,178)	(7,147)	(20,325)	4,212
Total fund balance at 1 September 2012		73,500	45,905	119,405	115,193
TOTAL FUND BALANCE AT 31 AUGUST 2013		60,322	38,758	99,080	119,405

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

All of the results relate to continuing activities

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

The notes on pages 20 to 29 form part of these financial statements

MERTON MUSIC FOUNDATION

BALANCE SHEET AS AT 31 AUGUST 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	10		44,144		51,960
Current assets					
Stocks	11	1,094		1,149	
Debtors	12	40,887		14,905	
Cash at bank and in hand		132,716		186,948	
		<u>174,697</u>		<u>203,002</u>	
Creditors amounts falling due within one year	13	(119,761)		(135,557)	
Net current assets			54,936		67,445
Total assets less current liabilities			99,080		119,405
Net assets			<u>99,080</u>		<u>119,405</u>
Income funds					
Restricted funds	15		38,758		45,905
Unrestricted funds	14		60,322		73,500
Total funds carried forward			<u>99,080</u>		<u>119,405</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2013, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

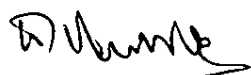
These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The notes on pages 20 to 29 form part of these financial statements

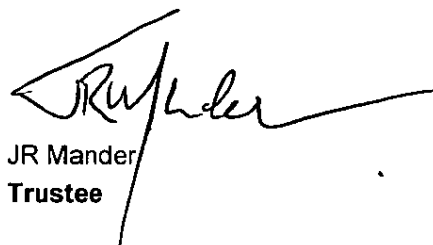
MERTON MUSIC FOUNDATION

BALANCE SHEET AS AT 31 AUGUST 2013

The accounts were approved by the Board on 3 February 2014 and signed on its behalf by



WI Newman
Trustee



JR Mander
Trustee

Company Registration No. 02590621

The notes on pages 20 to 29 form part of these financial statements

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, generally accepted accounting policies in the United Kingdom and the Companies Act 2006

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

1.2 Incoming resources

Incoming resources represent tuition fees and income from concerts, 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

1.3 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, concert performances, tours, 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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at market value at the date of the gift, less depreciation

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

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

1.5 Leasing and hire purchase commitments

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

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies (continued)

1.6 Stock

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

1.7 Pensions

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

1.8 Fund accounting

The funds held by the charity are either

- *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
- *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

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 Federation of Music Services grant's use was restricted to the purchase, lease or repair of musical instruments suitable for use with children in KS2. The funds were applied as intended in the period of receipt and the remaining reserve is now reduced by the depreciation and disposal of the fund-purchased musical instruments.

Arts Council Funding

The charity received a grant in the year from the Arts Council England. According to the Funding Agreement, the use of the grant is restricted to the agreed activities with the Arts Council. The grant is recognised in the accounts when they are received and applied to the period it relates to.

1.9 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.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies (continued)

1 10 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.

1 11 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 Trustees have secured grant funding from Arts Council England until March 2015. They have also secured funding from other grant sources including Merton Local authority. The Arts Council grant is payable at regular intervals subject to certain conditions. The Charity has reviewed its performance for the forthcoming year and believes that they will not breach any funding conditions and the Arts Council grant will be forthcoming. Merton Music Foundation and London Borough of Merton have agreed a fixed rate for the annual rent charge for the property it uses. In addition, the Trustees are taking steps to reduce the premises costs of the Charity.

During the year total outgoing resources were greater than total incoming resources, leading to a deficit in overall reserves. If this were to continue for a number of years, the position of the charitable company as a going concern would be put in doubt. As detailed in the Charity's Reserve Policy in the Trustees' Report, plans are in place to realise a surplus for the following year.

2 Activities for generating funds

	Unrestricted funds	Restricted funds	Total 2013	Total 2012
	£	£	£	£
Donations				
Donations	31,315	-	31,315	7,398
Grants receivable				
Music Education Services	3,800	-	3,800	156,265
London Borough of Merton	7,400	-	7,400	9,300
Federation of Music Services	-	-	-	68,047
Arts Council England	-	195,029	195,029	17,012
LBM Schools Forum	46,000	-	46,000	19,167
	57,200	195,029	252,229	269,791
Total grants receivable and donations	88,515	195,029	283,544	277,189

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

3 Investment income

	Unrestricted funds	Restricted funds	Total 2013	Total 2012
	£	£	£	£
Bank interest receivable	58	7	65	65

4 Activities in furtherance of the charity's objectives

	Total 2013	Total 2012
<i>Unrestricted funds</i>	£	£
Tuition fees	521,760	527,511
Hire of instruments	26,822	23,537
Music centre subscriptions	65,351	62,016
Concert and tour receipts	64,208	33,210
Fees - inset	1,676	175
Other income	7,850	5,606
	687,667	652,055

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

5 Total resources expended

	Staff costs £	Depreciation £	Other direct costs £	Allocated other costs £	Total 2013 £	Total 2012 £
Provision of charitable activities						
Instrumental tuition	120,055	-	268,288	15,685	404,028	398,795
Youth music programme	76,978	-	80,124	4,706	161,808	146,259
Tours and concerts	33,787	-	51,513	2,353	87,653	78,342
Professional advice and support to schools	24,210	-	-	-	24,210	27,449
CPD training	28,067	-	-	784	28,851	28,766
Project development	87,368	-	81,071	2,353	170,792	117,692
Instrument hire and repair	36,967	7,154	6,088	6,274	56,483	72,369
Total	407,432	7,154	487,084	32,155	933,825	869,672
Governance costs						
Salaries	27,462	-	-	-	27,462	28,602
Pension costs	2,871	-	-	-	2,871	2,786
Audit and accountancy fees	-	-	4,140	-	4,140	6,288
Bookkeeping	-	-	4,220	-	4,220	3,498
Bank charges	-	-	4,250	-	4,250	4,561
Sundries	-	-	215	-	215	212
Depreciation	-	7,560	-	-	7,560	1,745
Allocated support	-	-	-	7,058	7,058	7,733
Total	30,333	7,560	12,825	7,058	57,776	55,425
Total resources expended						
Direct charitable expenditure	407,432	7,154	487,084	32,155	933,825	869,672
Governance costs	30,333	7,560	12,825	7,058	57,776	55,425
	437,765	14,714	499,909	39,213	991,601	925,097

Included in instrumental hire and repair costs is a total of £9,618 (2012 £15,575) relating to restricted funds

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year in their capacity as trustees (2012 £nil)

7 Employees

Number of employees

The average monthly number of employees during the year was

	2013 Number	2012 Number
Trading operations	12	11

Employment costs

	2013 £	2012 £
Wages and salaries	363,918	365,658
Social security costs	28,295	28,733
Other pension costs	41,428	38,958
	<u>433,641</u>	<u>433,349</u>

The number of employees whose annual remuneration was £60,000 or more were

	2013 Number	2012 Number
£60,000 to £70,000	1	1

Of the employees whose emoluments exceed £60,000, 1 employee (2012 1 employee) has retirement benefits accruing under defined benefit pension schemes. A total of £8,462 (2012 £8,462) was paid to the Teachers' pension Scheme in the year for this employee.

8 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 2013

9	Net incoming/(outgoing) resources for the year	2013 £	2012 £		
	This is stated after charging				
	Staff pension contributions	38,759	38,958		
	Depreciation of tangible assets	14,714	17,319		
	Loss on disposal of tangible assets	-	80		
	Auditors' remuneration				
	- as auditors	3,600	3,600		
	- other services	540	2,448		
10	Tangible fixed assets				
		Office equipment	Computer equipment	Musical instruments	Total
		£	£	£	£
	Cost				
	At 1 September 2012	26,981	27,643	169,178	223,802
	Additions	-	-	6,898	6,898
	At 31 August 2013	26,981	27,643	176,077	230,700
	Depreciation				
	At 1 September 2012	24,148	25,242	122,452	171,842
	Charge for the year	707	600	13,407	14,714
	At 31 August 2013	24,856	25,842	135,859	186,556
	Net book value				
	At 31 August 2013	2,125	1,801	40,218	44,144
	At 31 August 2012	2,833	2,401	46,726	51,960
11	Stocks	2013 £	2012 £		
	Stock	1,094	1,149		

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

12 Debtors	2013 £	2012 £
Trade debtors	8,522	5,515
Other debtors	32,365	9,390
	<u>40,887</u>	<u>14,905</u>

13 Creditors, amounts falling due within one year	2013 £	2012 £
Trade creditors	9,068	11,034
Accruals and deferred income	96,395	112,043
Other taxes and social security	8,695	8,627
Other creditors	5,603	3,853
	<u>119,761</u>	<u>135,557</u>

14 Unrestricted funds

	Movement in funds				
	Balance at 1 September 2012	Incoming resources	Resources expended	Transfers	Balance at 31 August 2013
	£	£	£	£	£
P Woodings bursary fund	5,366	4	-	-	5,370
General fund	68,134	776,236	(984,447)	195,029	54,952
	<u>73,500</u>	<u>776,240</u>	<u>(984,447)</u>	<u>195,029</u>	<u>60,322</u>

The transfer related to the grant from Arts Council England (ACE) which is applied to the charitable expenses in the year

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

15 Restricted funds

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

	Movement in funds				
	Balance at 1 September	Incoming resources	Resources expended	Transfers	Balance at 31 August 2013
	£	£	£	£	£
Greenwood bursary fund	9,630	7	-	-	9,637
Federation of Music Services	36,275	-	(7,154)	-	29,121
Arts Council Funding	-	195,029	-	(195,029)	-
	<u>45,905</u>	<u>195,036</u>	<u>(7,154)</u>	<u>(195,029)</u>	<u>38,758</u>

Arts Council England (ACE) made a grant available to the Charity during the year. The use of the grant has no specific restrictions, however the funding is subject to the Charity delivering the agreed activities within the core roles and extension roles as highlighted within the Trustees' Report. The funds received in the year have been transferred to the general fund to be set off against expenses in the year that relate to the agreed activities with ACE.

16 Analysis of net assets among funds

	Restricted funds £	Unrestricted funds £	Total 2013 £	Total 2012 £
Fund balances at 31 August 2013 are represented by				
Tangible fixed assets	29,121	15,023	44,144	51,960
Net current assets	9,637	45,299	54,936	67,445
	<u>38,758</u>	<u>60,322</u>	<u>99,080</u>	<u>119,405</u>

17 Commitments under operating leases

At 31 August 2013 the company had annual commitments under non-cancellable operating leases as

	2013 £	2012 £
Expiry date		
Between two and five years	<u>3,570</u>	<u>3,570</u>

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

18 Related parties

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

19 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

20 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 Education 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 The employer contribution rate is 14.1%, set in the 2004 Scheme Valuation

Four 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 £41,428 (2012 £38,958) during the year and £nil (2012 £nil) was outstanding at the year end

21 Control

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