

Merton Music Foundation

(A Charitable Company Limited by Guarantee)

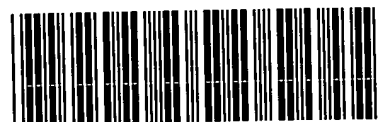
Annual Report and Financial Statements

For The Year Ended 31 August 2015

Charity Number: 1004122

Company Number: 02590621 (England and Wales)

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MERTON MUSIC FOUNDATION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

Contents	Pages
Reference and administrative details	1
Report of the trustees	2
Statement of trustees' responsibilities	17
Independent auditors' report	18
Statement of financial activities (including income and expenditure account)	20
Balance sheet	21
Notes forming part of the financial statements	23

MERTON MUSIC FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	Merton Music Foundation
Other names the Charity is known by	MMF, Merton Music
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:

Ian Newman	Chair of Trustees
John Mander	(Also Company Secretary)
Michael Collins	
Clive Grinyer	(Appointed 21/10/2014)
Doreen Hewitt	
Edward Hickman	(Appointed 21/10/2014)
Rachel Jacob	
Ana Sallavuard	(Appointed 21/10/2014)
Kevin Watkiss	(Appointed 21/10/2014)

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 Connect House, 133-137 Alexandra Road, Wimbledon, London SW19 7JY
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Bankers	Lloyds Bank plc, 83 High Street, Walton-on-Thames, Surrey KT12 1DU
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Solicitors	Bates, Wells & Braithwaite Scandinavian House, 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

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

Chair's Introduction

Another very active and ambitious year saw a variety of high quality music education and performance opportunities delivered to young people of all ages and abilities in Merton and SW London. These included services delivered directly and, as lead partner for the Merton Music Education Hub, those developed in partnership and collaboration with other Arts and Education organisations.

Schools remain our key focus and almost all primaries and 7 secondaries benefitted from our School Music Education Plan. Subsidised clubs, workshops, support for primary music co-ordinators and secondary heads of department were all negotiated and well received. Continuing professional development is crucial to the success of the National Plan for Music Education both for colleagues in schools and for our individual/group tutors working in a variety of contexts.

Through its Hub 'core' and 'extension' roles (defined on page 4), MMF fulfilled its remit effectively and vigorously.

Highlights included:

- **'First Access'** programmes provided Whole Class Ensemble Tuition (WCET) for primary and secondary schools including Special Schools in both phases. This work culminated in very successful school based concerts
- **MMF's Youth Music Programme** features 24 regular ensembles, instrumental and choral, from beginner to advanced level

Consolidating progression routes remains a critical challenge. Initiatives include:

- a 'Magnet Centre' based in a local primary. This caters for small groups emerging from the WCET process,
- an additional (intermediate) guitar ensemble to cater for increased demand at beginner level,
- collaboration with the Wimbledon Community Chorus, the Wandle Band and the Wimbledon Community Orchestra provides a pathway to learning beyond MMF.

The 'Singing Strategy' is a national priority reflected strongly through our work with over 40 Merton schools. The 'With One Voice' project flourished, involving well over 1,000 singers in youth and community choirs.

Our growing list of local, regional and national partners is impressive and demonstrates our active commitment to our role as 'Hub' lead, our engagement with continuing improvement of local provision and our understanding of the National Music Plan. I would like to thank all our partners for their support – creative, financial and operational – throughout the year:

Arts Council England

Be Creative

Crown Lane Studio

Drama Direct

Jazz musician and educator Pete Churchill

London Borough of Merton officers, Merton Head Teachers and Schools Forum

'London School of Percussion' at Crown Lane Studio

Music Magnet Centre at St Teresa's RC Primary School

Orchestra of the Age of Enlightenment

Polka Theatre

Richard Mallett Arts Management

Roehampton University

The Mayor's Office

Wimbledon Civic Theatre Trust

Wimbledon Community Chorus, Wandle Band and Wimbledon Community Orchestra

Wimbledon International Music Festival

MERTON MUSIC FOUNDATION

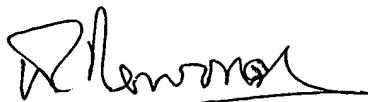
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

The highlight for everyone is the biennial event at the Royal Albert Hall. In April 2015 MMF's 'Music is for Life – Backstories' concert brought together 1,500 musicians and singers from across Merton (with a little help from our friends elsewhere). Feedback from participants, families, partner organisations and numerous guests, 'expert' or otherwise, reflected appreciation of high standards, excellent organisation, enthusiasm, ambition and potential – many comments focused on inclusion and how special need performers were integrated into the performances. It was an exhilarating event for all and its achievement was built on the solid foundations of everything else MMF does.

This concert was the 8th MMF has held at the RAH and represents a fitting tribute to the work of our retiring CEO, John Mander. His leadership over the last 25 years has been simply outstanding and transformational, enabling MMF to survive, consolidate, grow and prosper through many very difficult challenges to become one of the leading/most admired music foundations/services in the country. We wish him well in his retirement and on behalf of all members, colleagues, students and partners, I would like to express our profound gratitude for everything he has achieved for Merton Music Foundation.

Many challenges for music education remain of course and we welcome the appointment of Elisabeth Wigley (current MMF Programmes Director) as our new CEO from April 2016.

MMF delivers for students, staff, parents and partners through the range and quality of the learning and performance opportunities it offers. What follows in this report provides the detail and the background to our achievements in 2014-15.



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Ian Newman
Chair of Trustees
Merton Music Foundation

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 August 2015, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Our purposes and activities

Charitable objective

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

Our charitable objective 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"*.

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

The vision that shapes our annual activities is based on the aspirations of the **National Plan for Music Education 'The Importance of Music'**. Published in November 2011, it sets out the Government's vision for music education to enable children from all backgrounds and every part of England to have the opportunity to learn a musical instrument; to make music with others; to learn to sing and to have the opportunity to progress to the next level of excellence.

Music Education Hubs

Merton Music Foundation is the lead partner for the Merton Music Education Hub, part of a national network of 123 music education hubs established in 2012.

Music Education Hubs are a vital part of the Government's National Music Education Plan, which resulted from a thorough review of music education undertaken by Darren Henley in 2011. The Hub receives funding directly from Arts Council England on behalf of the Department of Education.

Music Hubs have a remit to fulfil four core roles and three extension roles in the delivery of 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

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

Working in partnership

The charity's hub programme is a collaboration between key local, regional and national music and arts organisations working together to create joined up, high quality music education in and out of school. The key overriding aims of our partnerships are to broaden and increase the opportunities for music making for all children and young people in the region, regardless of their background or personal circumstances; and to raise the standards of music provision to the highest levels possible.

Our partners during the 2014/15 financial year included Be Creative, Charanga, Crown Lane Studio, Merton Children, Schools and Families Department, Mayor's Music Fund, Merton Schools Forum, Orchestra of the Age of Enlightenment, Polka Theatre, Richard Mallet Arts Management, Roehampton University, Wimbledon International 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.

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 in support for the charity's various education activities.

Volunteers

We work closely with our parents' charity the Friends of Merton's Young Musicians (FMYM). The Friends meet regularly to administer the affairs of their charity, to arrange fundraising 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.

Ensuring our work continues to deliver our charitable purpose

We review our aims, objectives and activities annually through our Business Plan and regular reporting to Arts Council England. The review examines our achievements and the outcomes of our work over the past twelve months. It also looks at the success of each of the National Plan's Core and Extension role areas 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 following financial year.

Public Benefit

The Trustees of Merton Music Foundation have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

The Trustees believe that the organisation conforms readily to the new public benefit requirements of the Charity Commission. The reasons for this belief are:

- Our charitable objective "*To advance music education within a framework of the arts for the benefit of the public of the London Borough of Merton and elsewhere*" clearly demonstrates public benefit in advancing and promoting the importance of music education.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

- The advocacy work that MMF does is of potential benefit to all individuals, schools and its partnership organisations, by helping to create a learning environment in which live music making can flourish and be available to participants and audiences in the local community that the charity serves
- The key focus for MMF's work: *music education* through a framework of the *arts*, are both defined within the Charities Act 2006 as charitable activities and as such both directly benefit the public
- 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.
- All the Foundation's projects are centred on children and young people, some of whom are 'hard to reach', have disadvantaged backgrounds or challenging circumstances.
- Financial assistance is not just limited to students of families who qualify for assistance from the 'Pupil Premium'. The Trustees recognise that students from families whose income is only a little above the level to qualify for 'Pupil Premium' but have to contend with the high cost of living in London, may also require support and applications from such students are looked upon favourably
- Financial assistance in membership of MMF's Merton Youth Music activities and participating in its music making activities is considered in all cases of individual hardship.

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.

Achievements and performance

The following summary provides an overview of our achievements and performance against the National Plan for Music Education's Core and Extension Roles. The information is taken from our Annual Data Return to Arts Council England for the 2014/15 academic year.

CORE ROLES

1. First access

MMF's First Access opportunities included a range of music making programmes for pupils from all phases this year, including provision for Special Schools.

- 614 pupils from 13 Merton schools benefitted from First Access instrumental programmes.
- This included 13 Whole Class Ensemble Tuition (WCET) projects, two of which were for secondary schools – one state and one private. These projects were designed with a degree of flexibility in order to accommodate the specific needs of schools.
- Schools bought into a full range of instruments - projects were delivered on djembe, mixed percussion, samba, trumpet, clarinet, flute, mixed strings, violin and guitar.
- 18 KS2 and Year 12/13 students, and 16 staff from SLD PMLD Schools, also completed the first year of a WCET type programme with the OAE funded by Youth Music to run between 2013-16.

The flexible route option proved popular with schools opting to use percussion projects to establish general musicianship skills and musical discipline, before moving on to more advanced instruments. Informal feedback from schools suggested that this method enabled a greater range of pupils to feel engaged with playing an instrument as playing was not limited to one instrumental group. Tutors reported that pupils who had taken part in a percussion project before starting on a different instrument demonstrated a greater sense of rhythmic understanding, as well as greater engagement in lessons.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

Larger primary schools opted to take part in the 3-form entry primary school lessons. These lasted 45 minutes, enabling all three classes to have a lesson within a morning or afternoon period. Although adding more pressure on the tutor and MMF resources, this format allows all pupils within a year group to take part in learning an instrument.

In an effort to increase continuation, MMF hosted two large WCET specific concerts in the summer term.

- The first was for a school that had taken part in a guitar project and included pupils from the WCET class, pupils from the local music magnet centre, as well as two music centre ensembles. This enabled the most junior guitarists and parents to see the levels of progression of an instrument first hand, as well as giving them a larger performance platform to enjoy at the end of a project.
- A massed percussion concert also took place at Cranmer Primary School, bringing together 4 WCET djembe classes, from two different schools. This concert presented the opportunity to come together as one large ensemble and perform a piece, as well as seeing the classes perform their own pieces.

The success of these WCET specific concerts will now lead to a WCET, instrument specific concert series to be held in the last half of the summer term. There will be spotlight performance opportunities for large woodwind, brass, percussion, string and guitar ensembles combined with groups from Music Centre. These concerts will allow pupils to perform, and interact with students of a higher level, as well as witnessing the potential when continuing an instrument.

2. Ensembles

MMF's Merton Youth Music programme is a comprehensive provision of 24 regular ensembles, instrumental and choral, from beginner to advanced level. A new Intermediate Guitar Ensemble has been established, and Jazz Combo and Rock Styles are both flourishing.

Other highlights have included:

- The on-going partnership with Orchestra of the Age of Enlightenment. The project created performing opportunities for children with PMLD and SLD. 18 pupils at Perseid received regular workshops during the year to develop a WCET project, which formed Year 1 as part of an innovative three-year programme focussing on strings. The group performed at the Royal Albert Hall in April 2015 as part of the Backstories project.
- During the year OAE worked with three 'associate' Merton schools (Cranmer, Wimbledon College and Ursuline High School)
- Members of Merton Young Voices, VoiceBox and Sacred Heart pupils, and their teachers choirs, performed as a massed choir at an 'Everyone Sang' choral event with the Wimbledon Community Chorus at Sacred Heart Church
- Pupils from 10 Primary schools participated in a Rhythm Relay, culminating in a massed performance for the Mayor of Merton
- 240 KS2 pupils participated in the 'A Soldier's Tale' project, culminating in a school-based performance for peers and parents.
- 150 KS2 pupils from 3 local Primaries schools received 3 days of dance and music workshops in preparation for a performance at New Wimbledon Theatre, part of MMF's pre-tour celebration concert.

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 largescale ensemble.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

This year we have continued to focus on strengthening these progression routes within our operations area. This has included:

- Development of our Merton Youth Music programme - comprehensive range of 24 regular ensembles, instrumental and choral, from beginner to advanced level. This year as part of this, we introduced a new 'Flexiband' for beginners entering the programme.
- A second year at St Teresa's Magnet Centre catering for 69 KS1/2 pupils learning keyboard and guitar in groups of 5/6. This has been oversubscribed and well received by parents – continuation children have moved on to Beginner Plus classes for the second year at the Centre.
- Development of Intermediate Guitar ensemble in response to the influx of numbers into Beginner group as a result of first access opportunities at St Teresa's Magnet Centre. This is boosting participation at the Centre.
- 18 pupils at Perseid received regular workshops during the year, developing a WCET project, which formed year 2 as part of an innovative three-year programme focussing on strings. The work was showcased at the Royal Albert Hall.
- Over 90 members of the Wimbledon Community Chorus received weekly rehearsals and gave three local public performances. The group was part of the Backstories intergenerational choir, which performed at our *Music is for Life* concert at the Royal Albert Hall.
- Ongoing support of Wandle Band and Wimbledon Community Orchestra to provide a pathway into adult learning.

4. Singing strategy

During the year, we worked with 44 schools to develop singing strategies.

- The Backstories intergenerational project was the focus of the With One Voice (WOV) singing strategy throughout 2014-15, involving 1,250 singers from 20 Primary and Special schools, 4 youth choirs and 4 community choirs. It generated eight original songs, which were made available on-line for all Merton schools to use. Four Primary schools received an 'Artist in Residence' programme and made a significant contribution to the development of the score. All participants received a series of rehearsals from a dynamic team of 'Song Squad' choral leaders, which included the composers' team, led by Pete Churchill.
- MMF's Programmes Director is directly responsible for the on-going development, management and much of the delivery of WOV. She holds three meetings a year for school-based Primary Music Coordinators, which always includes an element of singing CPD.
- Music Coordinators and Secondary Music Leaders across all Primary, Secondary and Special schools are emailed weekly with updated information on recommended resources. This included opportunities for CPD ('in house' and through nationally recognised organisations like Sound Connections, Sing Up, ABCD and The Voices Foundation); performance projects and other aspects of professional practice (e.g. advice on how to start or develop a school choir; how to choose appropriate repertoire; how to teach part-work successfully). The Programmes Director and Primary Curriculum Leader have also given on-going informal advice to specific teachers on supporting singing and choral development.
- Singing is an important element of the 'In2Music' WCET programme and delivery tutors are given help and resources to incorporate into their planning.
- 'Sound Ideas', a comprehensive and progressive programme of study which places singing at the heart of early musical development is available free of charge to all teachers in the borough (now online in blog form, with new added audio clips).

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

- 27 schools took up the offer of a free one-year license for Charanga, funded by MMF. Many schools are using the vocal resources regularly and successfully, to support their class and choral singing.
- 30 KS2 pupils from St Thomas of Canterbury Primary School received three half-day workshops in preparation for a performance in the Mayor of Merton's Carol Service.
- Membership of MMF's Young Voices KS2 choir has remained strong. The VoiceBox senior choir is currently all girls and it continues to be a challenge to attract boys into this group. However, a special Backstories project choir was successfully formed and supported at Rutlish boys' school and a new 6th Form mixed voice choir met weekly and also participated in Backstories. Discussions are now taking place with a local choral leader regarding the formation of a new mixed voice Wimbledon Youth Choir (from September 2015).

EXTENSION ROLES

1. Continuous professional development (CPD)

Schools

- 3 meetings were provided for Primary Coordinators, with a total of 26 attendees. Topics included a song share, an update on projects (Backstories, A Soldiers Tale) and new resources, including use of Charanga. Also details of a new local partnership with the Wimbledon Village Hall art gallery.
- 15 staff from 11 Primary schools attended a day of training on using music to encourage storytelling.
- Bespoke meetings were held with Heads of Music at 7 Merton Secondary schools.
- AST and PD gave informal ongoing advice to Music Coordinators through email / telephone conversations (auditing resources, progression, curriculum planning, constructing composition projects, evaluation /assessment).
- 300 Postgraduate and 1st year Primary teaching students (12 groups) received a series of lectures on music as part of their course at Roehampton University (Programme Director and CLT member)
- 7 Primary teachers attended a course on using '2Simple'
- 2 new teachers attended a course on teaching music for the non-specialist

Tutor Workforce

- 4 members of Backstories Song Squad attended 2 full day workshops to support and evaluate delivery of the Backstories performance project
- Curriculum Team offered ongoing informal advice / guidance to tutor workforce.
- Support provided to tutors leading/co-leading Merton Youth Music ensembles.
- Programmes Director led SEN training for LBM School Nurture Groups

2. Instrument hire

- A competitive instrument hire scheme was provided to support learning. 281 instruments were hired during 2014/15. Students eligible for Trust Fund support hired at no cost other than a termly administration fee of £12.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

- Partnership with Allianz Insurance provided discounted cover for parents hiring through MMF and a percentage donation was made to MMF.

3. Large scale / High quality musical experiences

- 1,500 musicians from Merton participated in MMF's 'Music is for Life – Backstories' concert at the RAH in April 2015.
- 'An evening of jazz from Merton Youth Music's 2 jazz orchestras and VoiceBox choir preceded by a 'Jump into Jazz' workshop was provided as part of the Wimbledon International Music festival programme.'
- Members of our Merton Youth Music programme gave 5 concerts at Christmas and in the summer to parents and supporters at Morden Baptist Church.
- 30 KS2 pupils from St Thomas of Canterbury School performed at the Mayor of Merton's Carol Service.
- Members of Merton Young Voices, VoiceBox, Groovement Singers and Sacred Heart school choir performed at the Summer Serenade event with the Wimbledon Community Chorus at Sacred Heart Church.
- 250 pupils from 10 schools participated in the Rhythm Relay, culminating in a massed performance at Harris Academy Merton for the Mayor of Merton.
- MYJO and MYJO 2 gave 2 jazz concerts at The Hideaway jazz club in Streatham (the first in partnership with Morley College Big band)
- MMF took 67 students from MYCB, MYJO and VoiceBox on a 6-day tour, based in Evian on Lake Geneva, during which they gave 4 concerts.
- Other events included MYJO and Concert Band performing at the Wimbledon Championships, members of the Saxophone Ensemble were invited to play at the LBM Jack Petchey Awards, and senior groups combined with primary schools for an end of year Celebration Concert at Wimbledon Theatre. OAE partnership concerts given and attended with Perseid school.

School music education plans

We supported 42 Primary schools and 7 secondary schools as part of our School Music Education Plan.

The school educational plan was built on MMF's current practice. All schools have been offered subsidised after school music clubs, and a half-day of MMF time for workshops, support or training. This has been well received and various schools booked 'bespoke' consultation time during the year and have negotiated after school provision.

Developments have included:

- A second year of 'Magnet Centre' group teaching initiatives at St Teresa's Primary School and Crown Lane Studio. Both have proved very successful, engaging new pupils – both centres continue to be over-subscribed.
- Reorganising the times and format of 'Hands On' sessions has seen a 9.3% increase in Music Centre membership.
- Schools continue to book up for a range of 'In2Music' WCET programmes, with the one term and variable models proving more popular.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

Routes for Progression

- The low continuation rate after WCET and other free or heavily subsidised programmes continues to be a concern. The 'Magnet Centre' model has proved successful but is very complex, time-consuming and has limited opportunities for progression. However, MMF will continue work with schools and other partners to explore alternative ways to set up more satellite magnet centres across the borough during 2015-16.

Ensembles

- MMF continues to provide a range of ensembles through its Youth Music Programme and has responded to parental requests for a beginners 'Flexiband' to cater for young players unable to access the Saturday centre. The Programmes Director has collaborated with local Secondary school leaders to set up and deliver a 6th Form, cross-borough mixed voice choir and a new boys project choir during 2014-15. MMF is responding to more requests from schools to help provide after-school 'club' activities, including percussion and orchestra groups.

Singing Strategy

- The 'With One Voice' singing strategy continued to be at the heart of Primary music provision, development and support, with an on-going stream of CPD, resources and a range of choral project opportunities. The setting up of more mixed voice choirs and opportunities to engage more boys with singing has involved holding a number of challenging conversations with local Heads of Music. Positive discussions with local church choral leaders look set to bear fruit in 2015-16, with possible formation of a new mixed voice borough choir.

Partnership development

Members of Merton Music Foundation's Senior Leadership Team have continued to meet formally and informally with all of its Hub partners over the year to ensure that the focus for all activities is clearly established and targeted where appropriate. The focus for our hub work is on developing connectivity with selected partners who can strengthen and broaden the reach of our education work.

To date this has included:

- Continued partnership work with Wimbledon Civic Theatre Trust, to deliver a range of arts projects with a particular focus on the most vulnerable high school aged students in a variety of formal and informal local settings (schools, youth groups, voluntary support groups etc.).
- Continued partnership with jazz musician and educator Pete Churchill to deliver Backstories, the focus of MMF's 'With One Voice' 2014-15 singing strategy, involving an intergenerational choir of 1,250 members aged 7 – 87. Backstories also facilitated a new partnership with Drama Direct.
- Ongoing positive relationships with LBM officers and Merton Head Teachers (e.g. through Schools Forum and Hub meetings), to ensure continued high quality support for curriculum music in schools, (e.g. through provision of CPD and CLT support)
- Continued development of partnership work with Polka Theatre as part of MMF's Backstories Project
- Continued partnership with Be Creative and Wimbledon International Music Festival, focused on 'A Soldier's Tale'. This project also initiated a new partnership with Teach It Through Drama
- Continued strategic links with Hub partner Crown Lane Studio, to assist in the development and delivery of a range of projects and the production of resources for projects and curriculum support.
- Further expansion of 'London School of Percussion' at Crown Lane Studio for lessons on Saturdays and after school.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

- Continued partnership work with the Orchestra of the Age of Enlightenment
- Continued support of three community music making groups, Wimbledon Community Chorus, Wandle Band and Wimbledon Community Orchestra (lending of music, professional services of Programmes Director to conduct WCC, shared performance opportunities).
- Collaboration with the Mayor's office, to provide local performance opportunities including at the Mayor of Merton's Christmas celebration and the conclusion of the schools' Rhythm Relay.
- Successful second year of Music Magnet Centre at St Teresa's RC Primary School meeting the first access needs of 69 KS1/2pupils.
- Second year of partnership with Roehampton University, to deliver lectures to PGCE and 1st Year Primary teaching students.

Music technology in teaching and learning

Merton Music Foundation has long been an innovative leader in the use of technology to support music education.

- We have developed an open source website that provides music education resources to support our singing strategy in schools. This has included audio, video and downloadable teaching resources for the new resources to support our ongoing Backstories Project (2014-15).
- MMF began its rollout of Charanga, having formulated an effective strategy for its introduction during 2014-15. 27 schools signed up for a year's free license of Charanga, and attended CPD to enable them to engage with the programme and resources. This has proved a great success with schools with very high satisfaction levels reported. 33 out of our 43 schools have signed up. During the last academic year schools in our borough spent 5,098 hours logged on to Charanga music school resources.
- The technology Curriculum Leader employed last year is further supporting the use of iPads and apps in delivery of the school curriculum, WCET programmes and their use by instrumental tutors.
- Many members of our instrumental work force are using iPad apps and other music software and devices to create resources and support teaching and learning both during and after lessons.
- The 4 Song Squad composers set up Backstories composition blogs as a core project resource, including rehearsal and other resources, including audio tracks, video footage, photographs, YouTube links and cross-curricular extension planning were made available through the MMF website. The use of a main project blog became integral to the delivery of the Backstories project during 2014-15.
- Merton schools continue to embrace the use of technology, use of white boards and iPad in particular. Many of our freelance tutors also use these as and when available and appropriate (with awareness and reference to school Child Protection policies and any resulting restrictions).

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

Plans for the future

Our Music Education Business Plan for 2012-16 (Published September 2015) details our operational plans for the coming year. This will include further applications to Arts Council England's 'Grants for the Arts' Lottery funded programme to support music education projects and our Music is for Life concert in 2017. Full details can be found in the latest copy of the plan, which can be downloaded from our website at www.mmf.org.uk/MMEH.

Other priorities include:

- Identifying the job roles and employee skills that will be required in key management areas of the charity, following the retirement of Chief Executive at the end of March 2016
- The production of appointment briefs for the new CEO post and a new Business Manager post. Advertising and recruitment to take place with appointments achieved by 1st April 2016
- Recruitment of additional trustees to strengthen the charity's Management Board and provide succession for those trustees stepping down during the 2015/16 financial year (e.g. Current CEO who is also a trustee)
- Further development of the charity's Management Board with the formation of new sub groups to support the charity's senior management structure post April 2016. (e.g. Strategic planning, Appointments & Salaries Review, Audit and Risk Assessment)
- Completion of discussions with Harris Academy Morden about new partnership arrangements for 2015/16 and the use of the school for tuition and Music Centre rehearsals, and as a regular performance space for our concerts
- Confirmation that grant funding is in place from all our core funders for the 2016/17 financial year
- Pledges are confirmed for all key partners wishing to work as part of the Charity's Music Education Hub programme during the 2016/17 financial year
- Review of the effectiveness of current partnership arrangements and to identify any new partners that could help support the next stage of MMF's hub development (2017-20)
- Explore ways in which funding can be secured to deliver these new partnerships and start planning potential projects that could be delivered during this period

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

The principal movements in Income and Expenditure for the year were:

Income

- Income was £1,061,590 in comparison with £924,281 for 2014, an increase of 14.8%. This was due to additional funds received from Arts Council England and increased activity within the charity's various programmes.
- Voluntary income from Donations and Gift Aid at £17,272 was down this year (2014: £23,342).
- Public grants increased in total by 27% from £256,109 in 2014 to £325,259 for this year. This was due to an increase in grant levels from funding received from the Department for Education via Arts Council England during 2014/15 and additional funding received from Arts Council England's Grants for the arts funding programme for our Backstories and Radio Retro projects.
- Income from music tuition, Music Centre fees and other similar income streams, was up by 11.5% from £644,770 in 2014 to £719,000. This was because of increased numbers and beginning to see the effects of recession easing during the financial year.
- Investment income showed a return of only £59 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 £1,068,225 in comparison with £901,676 for 2014, an 18.5% increase. Much of this was due to with increased activity to do with providing our Backstories and Radio Retro projects, and our biannual concert production 'Music is for Life' at the Royal Albert Hall.
- Cost of activities in furtherance of the charity's objectives was up by £165,227 to £1,006,866 (2014: £841,639) and Governance costs increased slightly to £61,359 (2014: £60,037).
- Governance costs, as a percentage of the total has dropped to 5.7% from 6.6% in 2014 demonstrating how efficiently the charity continues to operate despite the additional activity that it has been undertaking during 2014/15.

Financial position at year end

Taking into account income and expenditure, the charity realised an operational deficit of £6,635 for the year (2014: £22,605 gain) before revaluations and investment asset disposals.

Total fund balances as at August 2015 were £115,050 (2014: £121,685). This consisted of £83,038 of unrestricted funds and restricted funds of £32,012.

- Unrestricted funds during the year increased by 20% from £69,183 in 2014 to £83,038, increasing the level of 'free' funds available and were in line with the charity's Reserves Policy.
- Restricted funds reduced during the year by 39%. These funds principally represented amounts held by MMF for particular restricted purposes within the objects of the charity and were primarily made up of funds transferred from the Ronald Greenwood Music Trust funds received from the Federation of Music Services during 2010/11 for the purchase of musical instruments, and funds received from Arts Council England for the charity's Backstories and Radio Retro projects. Expenditure from the 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 17 of the Notes to the Financial Statements.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

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 Arts Council England, is specifically allocated to the expansion and development of the Foundation's music education services.

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 Trust to seek to maintain unrestricted funds, which are free reserves of the charity at a level, which equates to at least one month unrestricted expenditure and over time to seek to build up reserves towards the prudent amount of three months as recommended by the Charity Commission. 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 and contingency savings made. These reserves are to provide sufficient funds to cover management, administration and operational costs over the stated period. The Trustees review the policy annually and the level of reserves is 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.

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.

Appointment 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. All trustees receive a quality standards document that outlines the required role of a trustee on the management board and the relevant standards and commitments that are expected of them.

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 Disclosure and Barring Service (DBS).

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

All members of the Board gave their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in the note 7 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, management financial reports, meeting minutes and copies of the charity's annual Reports and financial statements.

Related parties and co-operation with other organisations

MMF works closely with the Friends of Merton's Young Musicians (FMYM) (Charity No. 274493R). 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.

Organisation

The Board of Trustees meets termly to manage the affairs of the charity. The Board consisted of nine 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.

Risk management

The Trustees have a risk management policy, which comprises an annual review of the risks the charity may face and establishes systems and procedures to mitigate those risks identified.

Health & safety and child protection

The health and safety of staff and students together with child protection are primary concerns to the Trustees. Music Centre managers and other key staff undertake both first aid and fire marshal training and all staff are made aware of their own duties and responsibilities for health and safety issues.

Merton Music Foundation adopts the current Child Protection requirements as set out by the Home Office. Prior to the commencement of work enhanced DBS checks take place for all new staff together with at least two satisfactory references and interview. DBS's are rechecked for all staff and trustees every 3 years.

MERTON MUSIC FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

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.

This report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

On behalf of the Board of Trustees



J R Mander

Trustee

Dated: 8 February 2016

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 2015, 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 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 statement of trustees' responsibilities set out on page 18, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

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 2015 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 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'

Paul J Windsor (Senior Statutory Auditor)
For and on behalf of WSM Advisors Limited
Statutory Auditor and Chartered Accountants

Connect House
133-137 Alexandra Road
London
SW19 7JY

Dated: 8 February 2016

MERTON MUSIC FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
INCOMING RESOURCES					
<u>Incoming resources from generated funds</u>					
Voluntary income	2	17,272	-	17,272	23,342
Activities for generating funds	3	49,013	276,246	325,259	256,109
Investment income	4	52	7	59	60
<u>Incoming resources from charitable activities</u>					
Activities in furtherance of the charitable company's objectives	5	719,000	-	719,000	644,770
TOTAL INCOMING RESOURCES		785,337	276,253	1,061,590	924,281
RESOURCES EXPENDED					
	6				
Charitable activities		950,442	56,424	1,006,866	841,639
Governance costs		61,359	-	61,359	60,037
TOTAL RESOURCES EXPENDED		1,011,801	56,424	1,068,225	901,676
Net (outgoing)/incoming resources before transfers, revaluations and investment asset disposals		(226,464)	219,829	(6,635)	22,605
Gross transfers between funds		240,319	(240,319)	-	-
Net income/(expenditure) resources before revaluations and investment asset disposals		13,855	(20,490)	(6,635)	22,605
Total fund balance at 1 September 2014		69,183	52,502	121,685	99,080
TOTAL FUND BALANCE AT 31 AUGUST 2015		83,038	32,012	115,050	121,685

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 charitable company has no recognised gains or losses other than the results for the year as set out

MERTON MUSIC FOUNDATION

BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	11		33,044		34,296
Current assets					
Stocks	12	1,890		817	
Debtors	13	19,690		29,898	
Cash at bank and in hand		176,895		194,902	
		198,475		225,617	
Creditors: amounts falling due within one year	14	(116,469)		(138,228)	
Net current assets			82,006		87,389
Total assets less current liabilities			115,050		121,685
Net assets			115,050		121,685
Income funds					
Restricted funds	17		32,012		52,502
Unrestricted funds	16		83,038		69,183
Total funds carried forward			115,050		121,685

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 2015. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

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.

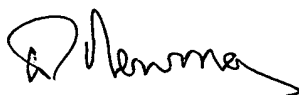
The notes on pages 23 to 34 form part of these financial statements.

MERTON MUSIC FOUNDATION

BALANCE SHEET

AS AT 31 AUGUST 2015

The accounts were approved by the Board on 8 February 2016.



WI Newman

Trustee



JR Mander

Trustee

Company Registration No. 02590621

The notes on pages 23 to 34 form part of these financial statements.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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 charitable 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.

Deferred income relates to the fees received in advance for the next financial year.

As the charitable 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 charitable company and comprises the costs of providing instrumental tuition, concert performances, tours, and education and community projects undertaken by the charitable company 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 charitable 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 2015

1 Accounting policies

1.6 Stock

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

1.7 Pensions

The charitable company 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 charitable company in the year.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.8 Fund accounting

The funds held by the charitable company are either:

- Restricted funds - these are funds that can be used for particular restricted purposes within the objects of the charitable company. 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.

The funds received in the year are transferred to the general fund to be set off against expenses in the year that relate to the agreed activities with Arts Council England.

Peter Wooding's bursary fund

These funds have been designated by the charitable company to support exceptional young musicians at the request of Peter Wooding's family. The fund was established with donations made to the charitable company. The charitable company 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 by the charitable company 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 is operated in accordance with the Ronald Greenwood Musical Trust deed and awards are made to young musicians who show great promise. The charitable company 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 is now The UK Association for Music Education - Music Mark, following a merger of the Federation of Music Services with the National Association of Music Educators. The grant's original 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 England Funding

The charitable company 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.

Dorothy Taylor Bequest

The charitable company received restricted funds within the current year to support one girl and one boy in their musical studies for the period of 4 years at the request of the late Dorothy Taylor.

Arts Council England 'Grants for the arts'

The charitable company received restricted funds within the current year to support its Backstories and Radio Retro Projects.

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. A liability for any repayment is recognised when there is uncertainty.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

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

1.11 Going concern

The nature of the charitable company's activities are such that there can be considerable unpredictable variation in the timing of cash inflows. The trustees have prepared projected cash flow information for the period ending 12 months from the date of their approval of these accounts. On the basis of this cash flow information and discussions with the grant funders, the trustees consider that the charitable company will have sufficient funds to continue in operation within their facility currently agreed.

However, the margin of facilities over requirements is not large and, inherently there can be no certainty in relation to these matters. On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis. The accounts do not include any adjustments that would result from the withdrawal of the grant funding by Arts Council England and London Borough of Merton.

2 Voluntary income

	Unrestricted funds	Restricted funds	Total 2015	Total 2014
	£	£	£	£
Donations	7,588	-	7,588	12,502
Gift aid claim from prior years	9,684	-	9,684	10,840
	<u>17,272</u>	<u>-</u>	<u>17,272</u>	<u>23,342</u>

3 Activities for generating funds

	Unrestricted funds	Restricted funds	Total 2015	Total 2014
	£	£	£	£
Grants receivable				
Music Education Services	3,013	-	3,013	4,816
Arts Council England - Core Funding	-	235,823	235,823	186,025
LBM/Merton Schools Forum	46,000	-	46,000	46,000
Arts Council England - Grants for the arts		40,423	40,423	19,268
	<u>49,013</u>	<u>276,246</u>	<u>325,259</u>	<u>256,109</u>
Total grants receivable	49,013	276,246	325,259	256,109

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Bank interest receivable	<u>52</u>	<u>7</u>	<u>59</u>	<u>60</u>

5 Activities in furtherance of the charitable company's objectives

	Total 2015 £	Total 2014 £
<i>Unrestricted funds</i>		
Tuition fees	543,674	540,343
Hire of instruments	27,833	28,872
Music centre subscriptions	57,739	57,878
Concert and tour receipts	78,958	5,421
Fees - inset	910	2,950
Other income	9,886	9,306
	<u>719,000</u>	<u>644,770</u>

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

6 Total resources expended

	Staff costs £	Depreciation £	Other direct costs £	Allocated other costs £	Total 2015 £	Total 2014 £
Provision of charitable activities						
Instrumental tuition	108,156	-	282,927	17,582	408,665	395,595
Youth music programme	67,336	-	84,560	5,275	157,171	159,744
Tours and concerts	43,215	-	70,364	3,077	116,656	57,876
Professional advice and support to	24,466	-	-	-	24,466	24,511
CPD training	28,006	-	-	879	28,885	29,145
Project development	109,988	-	98,179	2,698	210,865	118,525
Instrument hire and repair	38,201	10,036	4,888	7,033	60,158	56,243
Total	419,368	10,036	540,918	36,544	1,006,866	841,639
Governance costs						
Salaries	30,537	-	-	-	30,537	28,796
Pension costs	1,632	-	-	-	1,632	2,997
Audit and accountancy fees	-	-	6,522	-	6,522	6,240
Bookkeeping	-	-	3,784	-	3,784	4,074
Bank charges	-	-	6,120	-	6,120	6,209
Sundries	-	-	2,140	-	2,140	348
Depreciation	-	912	-	-	912	3,979
Allocated support	-	-	-	9,712	9,712	7,394
Total	32,169	912	18,566	9,712	61,359	60,037
Total resources expended						
Direct charitable expenditure	419,368	10,036	540,918	36,544	1,006,866	841,639
Governance costs	32,169	912	18,566	9,712	61,359	60,037
	451,537	10,948	559,484	46,256	1,068,225	901,676

Included in instrumental hire and repair costs is a total of £7,833 (2014: £7,280) relating to restricted

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

7 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 (2014: £nil).

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2015 Number	2014 Number
Trading operations	<u>9</u>	<u>9</u>

Employment costs

	2015 £	2014 £
Wages and salaries	379,194	373,121
Social security costs	28,234	28,661
Other pension costs	<u>40,689</u>	<u>42,087</u>
	<u>448,117</u>	<u>443,869</u>

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

	2015 Number	2014 Number
£60,000 to £70,000	<u>1</u>	<u>1</u>

Of the employees whose emoluments exceed £60,000, 1 (2014: 1 employee) has retirement benefits accruing under defined benefit pension schemes. A total of £8,830 (2014: £8,546) was paid to the Teachers' pension Scheme in the year for this employee.

9 Taxation

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

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

10 Net (outgoing)/incoming resources for the year	2015	2014
	£	£
This is stated after charging:		
Staff pension contributions	40,689	42,087
Depreciation of tangible assets	10,948	14,509
Auditors' remuneration		
- as auditors	3,600	3,600
- other services	2,922	2,640

11 Tangible fixed assets	Office equipment	Computer equipment	Musical instruments	Total
	£	£	£	£
Cost				
At 1 September 2014	26,981	28,268	176,344	231,593
Additions	233	-	9,494	9,727
Disposals	-	-	(233)	(233)
At 31 August 2015	27,214	28,268	185,605	241,087
Depreciation				
At 1 September 2014	25,387	26,448	145,462	197,297
On disposals	-	-	(202)	(202)
Charge for the year	457	455	10,036	10,948
At 31 August 2015	25,844	26,903	155,296	208,043
Net book value				
At 31 August 2015	1,370	1,365	30,309	33,044
At 31 August 2014	1,594	1,820	30,882	34,296

12 Stocks	2015	2014
	£	£
Stock	1,890	817

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

13 Debtors	2015	2014
	£	£
Trade debtors	-	11,388
Other debtors	19,690	18,510
	19,690	29,898
 14 Creditors: amounts falling due within one year	 2015	 2014
	£	£
Trade creditors	2,268	2,561
Accruals and deferred income	95,970	119,604
Pension control	378	30
Taxes and social security costs	9,097	8,340
Other creditors	8,756	7,693
	116,469	138,228
 15 Deferred income	 2015	 2014
	£	£
Deferred income is included within:		
Creditors due within one year	38,171	40,645
	38,171	40,645
 Total deferred income at 1 September 2014	 40,645	 25,083
Amounts received in year	38,171	40,645
Amounts credited to statement of financial activities	(40,645)	(25,083)
 Total deferred income at 31 August 2015	 38,171	 40,645

Deferred income relates to payments received in advance for the next academic year.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

16 Unrestricted funds

	Movement in funds				
	Balance at 1 September	Incoming resources	Resources expended	Transfers	Balance at 31 August 2015
	£	£	£	£	£
P Woodings bursary fund	5,751	3	(153)	-	5,601
General fund	63,432	785,334	(1,011,648)	240,319	77,437
	<u>69,183</u>	<u>785,337</u>	<u>(1,011,801)</u>	<u>240,319</u>	<u>83,038</u>

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

17 Restricted funds

The income funds of the charitable company 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 2015
	£	£	£	£	£
Greenwood bursary fund	9,563	5	-	-	9,568
Federation of Music Services	21,919	-	(10,036)	-	11,883
Arts Council England - Core	-	240,319	-	(240,319)	-
Dorothy Taylor Bequest	5,002	2	(300)	-	4,704
Arts Council England - Grants for the arts	16,018	35,927	(46,088)	-	5,857
	<u>52,502</u>	<u>276,253</u>	<u>(56,424)</u>	<u>(240,319)</u>	<u>32,012</u>

Arts Council England (ACE) made a grant available to the charitable company during the year. The use of the grant has no specific restrictions; however, the funding is subject to the charitable company delivering the agreed activities within the core roles and extension roles of the National Plan for Music Education 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.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

18 Analysis of net assets among funds

	Restricted funds £	Unrestricted funds £	Total 2015 £	Total 2014 £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	23,501	9,543	33,044	34,296
Net current assets	8,511	73,495	82,006	87,389
	<u>32,012</u>	<u>83,038</u>	<u>115,050</u>	<u>121,685</u>

19 Commitments under operating leases

At 31 August 2015 the company had annual commitments under non-cancellable operating leases as

	2015 £	2014 £
<u>Property rental</u>		
Expiry date:		
Within one year	3,750	-
Between two and five years	-	3,750
	<u>3,750</u>	<u>3,750</u>

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.

MERTON MUSIC FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

21 Pension costs

The charity participates in the Teachers' Pension Scheme (England and Wales) (the "TPS"), for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £38,551 (2014: £40,092). At the balance sheet date, a liability of £378 (2014: £30) was outstanding.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament. It is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the charity. As required by FRS17 "Retirement Benefits", the charity accounts for this scheme as if it were a defined contribution scheme.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and was published in June 2014. This report confirmed that the employer contribution rate for the TPS will increase from 14.1% to 16.4% although, recognising that teaching establishments work on an academic and not financial year, the Government has deferred the implementation of this increase to 1 September 2015. Employers will in addition pay a scheme administration levy of 0.08% of the employers' salary costs which will increase the total payment rate from 16.4% to 16.48%.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

Four members of staff who are not eligible to join the Teachers' Pension Scheme participated in a defined contribution scheme to which the charity contributed £2,138 (2014: £1,995).

22 Related parties

J R Mander is employed by the charitable company as Chief Executive Officer. J R Mander is also a member of the Board of Trustees.

23 Control

The charity was under the control of the Board of Trustees throughout the current and previous year.