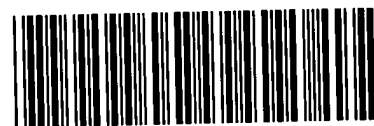


COMPANY REGISTRATION NUMBER: 01967704
CHARITY REGISTRATION NUMBER: 293419

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
31 March 2020

WEDNESDAY



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COMPANIES HOUSE

Jackson & Jackson
A trading name of Jackson Nicholas Assie Limited
Chartered Certified Accountants & Statutory Auditors
Suite 7, Meridian House
62 Station Road, Chingford
London E4 7BA

Community Music Limited
Company Limited by Guarantee
Audited Financial Statements
Year ended 31 March 2020

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Community Music Limited
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 March 2020

The trustees, who are also the directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 March 2020.

Reference and administrative details

Registered charity name Community Music Limited

Charity registration number 293419

Company registration number 01967704

Principal office and registered office The Brady Centre
192-196 Hanbury Street
London
E1 5HU

The trustees

Joseph Livingstone	(Retired 2 December 2019)
John Prince	
Neil Cartwright	
Pauline Muir	
Helen Searle	
Joshua McCarron	(Retired 2 December 2019)
Eshan Haque	

Chief Executive Officer Richard Clegg

Company secretary Richard Clegg

Auditor Jackson Nicholas Assie Limited
Chartered Certified Accountants & statutory auditor
Suite 7, Meridian House
62 Station Road
Chingford
London
E4 7BA

Bankers Lloyds Bank
40 Rosslyn Hill
London
NW3 1NL

Solicitors Harbottle and Lewis
14 Hanover Square
London
W1S 1HP

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

1. Structure, Governance and Management

1.1 Community Music Limited is a charitable company limited by guarantee, incorporated on 2 December 1985 and registered as a charity on 24 April 1986. The Company was established under a Memorandum of Association, which established the objects and the powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

1.2 Methods of appointing new trustees: New trustees are appointed from time to time by the existing trustees. An annual assessment of skills gaps relating to the aims and objectives of the trust is completed by the trustees and new members identified from known professional associates to supply those skills.

1.3 Name of persons entitled to appoint trustees: trustees must be appointed by vote of a quorate meeting, first as a member of the company then as a trustee of the company.

1.4 Trustee induction: new trustees receive an induction pack and session from the Managing Director comprising governing documents, legal and financial responsibilities, detailed financial information, programme and staffing of the company and specific briefing relating to that trustee's role on the Board. They meet with the Chair before appointment and are invited as an observer to one meeting before a decision is made for them to join the board of trustees.

1.5 The organisational structure: The Company is overseen by the trustees at a minimum of 4 meetings a year, although in practise this is usually more, and an annual budget with cash flow including salary levels and staffing changes is proposed by the CEO and approved by the Board. Major policy discussions and programme initiatives relating to that policy are discussed and approved by the Board.

1.6 Statement of relationship with other parties: Community Music has no subsidiaries. It maintains a strong relationship with other similar community music projects and funders through its working partnerships.

1.7 Statement of benefits received by trustees: none

1.8 In August 2019 the previous Managing Director and Company Secretary Maricia Klincke resigned. Richard Clegg is currently acting CEO and Company Secretary.

1.9 Two trustees In 2019-2020 resigned due to work commitments abroad.

1.10 The Board of Trustees aims to conduct an annual audit of its skills relating to the relevant arts, education and creatives industries sectors. It seeks to appoint new trustees where necessary.

2. Objectives, Activities of the charity and Strategic Report:

1. Overall Strategic Aim

- To be a leading provider of youth music opportunities in London.

2. Youth Music Opportunities

- To provide opportunities for young people to access and participate in creative music making in modern genres.

3. Professional Training

- To create structured access to professional training in music including higher education and vocational training.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

4. Live Music Promotion

- To partner closely with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences.

5. Artist and Business Support

- To support artists in their career development and creation of businesses.

6. Key Targets for 2020-22

To continue provision of youth music opportunities in London and provide opportunities to young people to access and participate in creative music making in modern genres. To proceed with structured access to professional training in music including higher education and vocational training while partnering with professional promoters and festival organisers to promote new talent in successful live music contexts that guarantee audiences, whilst providing artist and business support creating independence in their careers.

3. Ensuring our work delivers our aims

In shaping and reviewing Community Music's aims and objectives for the year and planning their activities, the trustees have considered the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. Community Music reviews their aims, objectives and activities each year to assess the success of each key activity, and the benefits they have brought to those groups of people they are set up to help. This ensures Community Music's aims, objectives and activities remain focused on their stated purposes.

4. Achievements and performance

Arts Council Annual Survey 2019-2020

The Arts Council provided Community Music with positive feedback and a rating of 'Strong'.

New Training Facilities Complete

The new fourth studio was completed in September 2019. This ensured Community Music can accommodate the increase in student numbers on both years of the degree programme, and increase capacity to deliver evening and weekend provision. The new facilities can host 18-20 people at one time with top spec Apple Macs and other equipment.

The Creative Music Production and Business Degree

Community Music had a strong year of recruitment which provided a total of 84 students across 2 years. 12 students from the previous 2nd year went on to a 3rd year at University of Westminster.

Music Leader Training Programme Online

The MLT has been developed into an online teaching platform and two beta tests with live students were delivered with over 30 students. The online teaching platform is now ready to be launched out to the market. The platform provides engaging tuition through video, audio, text, images, PDF download guides and other functions such as quizzes and assignment facilities.

Mind The Music

Mind the Music is funded by the JA Clark trust, Youth Music and Children in Need to support the mental health of young people on existing Community Music projects, and also those referred to us through CAMHS and the Coburn in-patient Centre for adolescent mental health in Newham. It offers one to one and small group tuition and is adaptable to the needs of those accessing this service. This year Community Music hired University of Essex to conduct further research into the outcomes and evaluations of the 68 participants referred from CAMHS and NHS, staff and tutors involved in a total 246 sessions. Further funding has been approved for 2020-2022, which will expand the project to Kensington and Chelsea and Brighton.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

Artist development, Music Space and Live Events

Over the 12 months, Community Music hosted 10 events, free music instrument tuition, music production and supported various young artists through the use of free training, facilities, video recorded sessions with PyroRadio and other activities. During this period over 500 artists and young people were involved in this type of activity.

Create 2020

Create 20x20 which is a partnership with Homes from Haringey, regularly attracts up to 30 young people each week enabling them to produce their own radio shows, podcasts, digital skills, record their own music and address issues surrounding them through music. Further funding with Homes from Haringey and Youth Music has been approved for 2020-2022.

Sound and Music

Community Music worked with Sound and Music throughout the year on the Go Compose project, also partnering with Drake Music, The University of Huddersfield and Birmingham City University. 44 young people took part and 28 passed ASDAN awards.

Musicians Union, National Education Union and Special Education Needs

There was high demand for the training offered in both 'Music Technology for Teaching' and 'Behaviour In The Classroom working with special education needs'. The training day was a success with 16 school teachers registered. Further training days have been planned with the MU and NEU.

CDR

Community Music are working with CDR on free Ableton workshops delivered in the new training facilities at Community Music. The training is focused on recruiting women.

Mayer Brown and CSR

Mayer Brown - CSR partnership with Community Music who were selected as charity of the year at Mayer Brown and various fundraising activities were activated and unrestricted funds donated to Community Music.

Short Courses for Adults and Professional Education

A range of short courses have been developed to enhance professionals' skills. The short courses will be either one day or a few hours over a set number of weeks and will be low cost with installment payment options to ensure adults have access to skill enhancement in music and digital skills.

Digital Delivery and Blended Learning

Further development of digital and blended learning delivery has been carried out and further courses for young people will be rolled out in the year 2020-2021. The aim is to provide further transferable skills and work placement opportunities, address the digital divide and the growing skills gap in digital skills in the cultural sector.

Partners

In this financial year Community Music partnered and collaborated with over 20 organisations including;

Alexandra Palace, Continental Drifts, Transform UK/TCW/London East Alternative Provision, Tower Hamlets CAMHS, Coburn Centre, Newham, The Orchestra of the Age of Enlightenment & Spitalfields Music, Sound and Music, A-Team Arts, CDR, PyroRadio, Homes for Haringay, VIP studio sessions, SMART, Music Education, THAMES, Youth Music, New Direction. Musicians Union and National Education Union, Mayer Brown, Mintell, University of Westminster and The Arts Council.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

5. The public benefit of provision

5.1 All of Community Music's provision is intended to be of public benefit to a variety of people. The majority of Community Music's local youth provision is accessible to anyone aged 13-19 living or studying in Tower Hamlets and Haringey, and some provision is accessible by those living outside of these areas and outside this age range.

5.2 Community Music does not charge fees for any course or activity on the youth programme. The higher education provision is accessible by anyone aged 18 and above and is not restricted geographically. Community Music specifically targets those people who would not normally be able to access higher education, either through a lack of formal qualifications or for financial reasons and uses targeted demographic marketing to encourage local recruitment.

5.3 Community Music's higher education tuition fees are significantly lower than the standard degree cost and the FdA: Creative Music Production and Business course is fully supported by the student loans system for those who cannot afford the initial tuition cost outright. Monthly payment schemes are also available for other adult and HE programmes including the Music Leader course and Community Music works hard to ensure no one is excluded due to financial reasons where possible. The facilities are fully accessible and have full wheelchair access.

6. Financial review

6.1 Financial aims of charity

- To maintain reserves to cover 6-9 months operating costs.
- To implement a sustainable fundraising strategy.

6.2 Policy on reserves

1. The Trustees of Community Music recognise their responsibility to have a transparent policy on managing the resources of the company, including financial reserves. They acknowledge this as a requirement under the Statement of Recommended Practice: Accounting and Reporting by Charities.

2. The term 'reserves' is defined as that part of the charity's funds that are freely available for general purposes. In the case of Community Music, as almost all of the income usually comes from a variety of grant aid and earned income. This would relate to income classified as unrestricted funds, which is available to spend on general charity purposes, once all its commitments have been met and its planned expenditure has been covered.

3. The Trustees of Community Music believe that it is generally in the interests of the charity to work towards a position of holding reserves that would cover 6-9 months operating costs. This is to ensure adequate cash flow flexibility to meet emergency measures, delayed payment of grants and unpredictable variations in expected income.

4. Community Music has increased its surplus over the past three years. This year our income and surplus has increased due to the increase in students on the FDA programme, cost control and successful fundraising for equipment and youth and community projects.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

6.3 Income and Turnover

The income and turnover of Community Music from 2017-2020 is:

Period	Income	Surplus/(deficit)	Total Funds
17/18	£510,860	£9,032	£294,484(restricted funds £8,290)
18/19	£692,718	£95,035	£389,519(restricted funds £18,950)
19/20	£768,390	£55,215	£444,734(restricted funds £33,041)

Community Music Trustees are concerned to maintain a robust business model through effective fundraising, tight cost control, protecting the brand quality and keeping ahead of the sector with initiatives. Community Music's turnover has grown annually and unrestricted funds surpluses on annual performance have steadily increased. In 2019-2020 Community Music made substantial one-off investments into equipment and resources to further expand its capacity. Previous years' losses on restricted funds for charitable activities have been reversed.

6.4 Financial Stability and Resilience

This year Community Music has continued to build earned income and decrease dependence on grant aid. 84% of Community Music's income in 2019/20 is classified as unrestricted funds.

Whilst remaining financially accessible for students, the Foundation Degree now generates a significant proportion of our income through tuition fees and supports the delivery of the free access education programmes on offer at Community Music. Students are able to access student finance for this programme and face no upfront costs.

Community Music completes an annual risk assessment that addresses any concerns or considerations for the coming year.

Partnerships are key to their continued resilience and ability to thrive. Community Music has longstanding partnerships with the University of Westminster and City & Guilds, which Community Music takes care to manage well to ensure the long-term security of our HE provision.

Principal other funding sources this year were:

- Arts Council of England: core costs, equipment, training and artist development
- London Borough of Tower Hamlets Youth Arts Department
- Trusts and Foundations

Community Music remains an Arts Council National portfolio client, and their current funding stands at £133,961 per year. This essential funding allows the charity to develop their core work whilst leveraging in funding from other sources.

The Arts Council percentage ratio return is £5.74 for every £1 invested.

The Arts Council England granted £137,046 towards the costs of creating new music production studios with state-of-the-art digital production equipment. The studios enable an increase in student numbers from basic to degree level and greater free access time for young artists to develop their music to the final product.

Tower Hamlets Borough Council remains a key partner, and Community Music retains a regular funding agreement as the music provider for the Youth Arts team.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

6.5 Trusts and Foundations

Community Music has a good track record of securing funding from trusts and foundations. Current income includes funding from the JA Clark Trust, Children in Need & Youth Music who have funded Community Music for the past few years to deliver work with local youth and NEET organisations and now the Mind the Music programme, a major new initiative supporting young people through music with mental health issues. The Charles S French charitable trust became a new donor this year.

6.6 Fundraising Strategy

Community Music's financial model remains one that seeks income from a variety of different sources, and is not solely dependent on grant aid. Community Music's key focus is to ensure the charity continues to seek new sources of income and funding, including self-generated income, in order to protect itself and to ensure long-term viability.

The fundraising strategy which exploits many sources of income including:

- Funding from CSR, regular individual giving and high net worth individuals,
- Other earned income from Adult Creative learning sales,
- Continuing current funding relationships with HE and other service providers
- Continuing to generate income through grant aid.

6.7 Unrestricted funding for general purposes.

Community Music is the recipient of funds from the Arts Council and was successfully awarded a four-year National Portfolio funding agreement this year, lasting until 2022 and recently extended until 2023. The funding is tied to a programme of specific projects and outputs and covers core costs. The Arts Council view their funding as investment rather than grant aid and are specific about the returns they wish to see. Community Music has a good relationship with the Arts Council and the Relationship Manager is working closely with Community Music to develop that relationship further.

Community Music has continued to move forward as a more resilient, self-sufficient organisation, and continue to see the development of this new model building over the coming years. Fee paying tuition is increasingly supporting the non-fee paying delivery whilst continuing to offer low cost access to higher education. Community Music is also building on their corporate sponsors. Community Music continues to successfully achieve grant funds from trusts and foundations, which allow the charity to develop new work such as the Mind the Music project.

7. Risk Statement

The trustees actively review the major risks to the company on a regular basis and believe that maintaining free reserves combined with internal review of financial controls provides sufficient protection against unforeseen financial variations. Other operational risks are assessed annually and effective action taken to mitigate these risks.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

8. COVID-19 Crisis

Covid-19 lockdown in the UK officially began on March 23rd 2020 at the end of the financial year, forcing Community Music to adjust how it operates due to the building closing. Community Music followed daily UK Government guidelines and updates relating to COVID-19 regulation guidelines.

An emergency strategy and process was followed, this included financial planning, emergency forecasting, operational planning and delivery, safeguarding including young people, staff and trustees. Continuing risk assessments are conducted to meet changing COVID-19 national and local regulations.

Fundraising was achieved through two COVID-19 emergency funds to ensure youth projects continued. Regular meetings and communication relating to daily operations at the charity and check in with trustees are carried out.

9. Going Concern (COVID-19)

The Trustees have been carrying out a continuous assessment of the impact of COVID-19 on the operations of the charity, and considered the risks and threats posed.

The Trustees are satisfied that to date, the threat to operations has been minimal, and whilst working arrangements have had to be adapted, this has not significantly reduced the effectiveness of the organisation.

The Trustees are monitoring events in the country as a whole, and have a protocol in place, to provide a quick response to any changes in the operating environment, but currently do not anticipate any circumstances that significantly curtail the ability of the charity to function.

The Trustees have also considered the non-COVID-19 related circumstances and projections of the charity, and are satisfied, that the going concern basis, is appropriate for these financial statements.

10. Volunteers

All of our work is carried out by our paid team. However, we should like to thank those who have given their time voluntarily to provide pro-bono advice and support to us during the period. This has enhanced and enriched our work. The advice and support is generally project based or relating to specific aspects of our work.

The efforts of volunteers constitute a valuable element of the charity's activities.

11. Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 27 to the Audited Financial Statements.

Community Music Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2020

12. Trustees' Responsibilities Statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the charity trustees to prepare audited financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these audited financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the audited financial statements 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.

13. Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

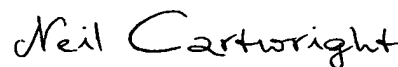
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 2 December 2020 and signed on behalf of the board of trustees by:

J Prince
Trustee



N Cartwright
Trustee



Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

Year ended 31 March 2020

Opinion

We have audited the audited financial statements of Community Music Limited (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the audited financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 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 accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the audited financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the audited financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out below, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In common with many other charities of our size and nature we use our auditors to assist with the bookkeeping and the preparation of the financial statements.

Going Concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or cease their operations. We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited

Year ended 31 March 2020

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the audited financial statements is not appropriate; or
- the trustees have not disclosed in the audited financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the audited financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' and strategic report, other than the audited financial statements and our auditor's report thereon. Our opinion on the audited financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the audited financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the audited financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Community Music Limited
Company Limited by Guarantee
Independent Auditor's Report to the Members of Community Music Limited
(continued)

Year ended 31 March 2020

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the Directors' Report) and strategic report for the financial year for which the audited financial statements are prepared is consistent with the audited financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the audited financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the audited financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited *(continued)*

Year ended 31 March 2020

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the audited financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of audited financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the audited financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the audited financial statements

Our objectives are to obtain reasonable assurance about whether the audited financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these audited financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the audited financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the audited financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited financial statements, including the disclosures, and whether the audited financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Community Music Limited

Company Limited by Guarantee

Independent Auditor's Report to the Members of Community Music Limited *(continued)*

Year ended 31 March 2020

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

John Assie FCCA (Senior Statutory Auditor)
for and on behalf of
Jackson Nicholas Assie Limited
Chartered Certified Accountants and Statutory Auditors
Suite 7, Meridian House
62 Station Road
Chingford
London E4 7BA

4 December 2020

Community Music Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	149,202	81,915	231,117	203,034
Charitable activities	6	492,432	44,795	537,227	488,568
Other trading activities	7	—	—	—	1,075
Investment income	8	46	—	46	41
Total income		<u>641,680</u>	<u>126,710</u>	<u>768,390</u>	<u>692,718</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	56,403	—	56,403	60,187
Expenditure on charitable activities	10,11	544,153	112,619	656,772	537,496
Total expenditure		<u>600,556</u>	<u>112,619</u>	<u>713,175</u>	<u>597,683</u>
Net income and net movement in funds		<u>41,124</u>	<u>14,091</u>	<u>55,215</u>	<u>95,035</u>
Reconciliation of funds					
Total funds brought forward		370,569	18,950	389,519	294,484
Total funds carried forward		<u>411,693</u>	<u>33,041</u>	<u>444,734</u>	<u>389,519</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 18 to 31 form part of these financial statements.

Community Music Limited
Company Limited by Guarantee
Statement of Financial Position
31 March 2020

	Note	2020 £	£	2019 £
Current assets				
Debtors	20	302,185		245,868
Cash at bank and in hand		<u>211,282</u>		<u>254,150</u>
		513,467		500,018
Creditors: amounts falling due within one year	21	<u>(68,733)</u>		<u>(110,499)</u>
Net current assets			444,734	389,519
Total assets less current liabilities			444,734	389,519
Net assets			444,734	389,519
Funds of the charity				
Restricted funds			33,041	18,950
Unrestricted funds			411,693	<u>370,569</u>
Total charity funds	23		444,734	<u>389,519</u>

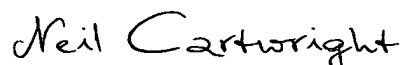
These audited financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These audited financial statements were approved by the board of trustees and authorised for issue on 2 December 2020, and are signed on behalf of the board by:

J Prince
Trustee



N Cartwright
Trustee



Company registration number: 01967704

The notes on pages 18 to 31 form part of these financial statements.

Community Music Limited
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities	55,215	95,035
<i>Adjustments for:</i>		
Other interest receivable and similar income	(46)	(41)
Accrued expenses	1,133	—
<i>Changes in:</i>		
Trade and other debtors	(56,317)	(63,495)
Trade and other creditors	(42,899)	30,133
Net cash flow from operating activities	<u>(42,914)</u>	<u>61,632</u>
Cash flows from investing activities		
Interest received	<u>46</u>	<u>41</u>
Net (decrease)/increase in cash and cash equivalents	(42,868)	61,673
Cash and cash equivalents at beginning of year	254,150	192,477
Cash and cash equivalents at end of year	<u>211,282</u>	<u>254,150</u>

Community Music Limited
Company Limited by Guarantee
Notes to the Audited Financial Statements
Year ended 31 March 2020

1. General information

The charity is a public benefit entity as defined by FRS102 and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Brady Centre, 192-196 Hanbury Street, London, E1 5HU. The trustees of the charity are named on page 1.

2. Statement of compliance

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019..

3. Accounting policies

Basis of preparation

The audited financial statements have been prepared on the historical cost basis.

The audited financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees have considered the impact of Covid-19 on the charities activities and have concluded there is no long-term impact on the Organisation. As a result, it is considered that the going concern status remains intact.

There are no other material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There have not been any judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies. There are no other judgements nor other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the life of the lease.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Tangible assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. With the exception of Cycle Scheme Assets the costs of minor additions or those costing below £2,500 are not capitalised.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

straight line basis over 3 years	-	Office equipment & furniture
straight line basis over 2 years	-	Studio equipment
straight line basis over 3 years	-	Computers & musical equipment
straight line basis over 3 years	-	Cycle & computer scheme assets

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Community Music Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Mintel Group	5,000	—	5,000
Mayer Brown	10,241	—	10,241
Donations under £5000	—	2,500	2,500
Grants			
The Arts Council	133,961	—	133,961
The Arts Council Capital Grant	—	31,722	31,722
BBC Children in Need	—	9,660	9,660
J. A. Clark Charitable Trust	—	23,333	23,333
LB of Tower Hamlets - Music Space Academy	—	9,600	9,600
Nomura Trust	—	—	—
Grants of £5000 or less	—	5,100	5,100
	<u>149,202</u>	<u>81,915</u>	<u>231,117</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Mintel Group	10,000	—	10,000
Mayer Brown	—	—	—
Donations under £5000	2,493	30	2,523
Grants			
The Arts Council	133,961	—	133,961
The Arts Council Capital Grant	—	—	—
BBC Children in Need	—	9,660	9,660
J. A. Clark Charitable Trust	—	20,000	20,000
LB of Tower Hamlets - Music Space Academy	—	9,600	9,600
Nomura Trust	13,000	—	13,000
Grants of £5000 or less	—	4,290	4,290
	<u>159,454</u>	<u>43,580</u>	<u>203,034</u>

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Accredited courses - fee income	476,686	—	476,686
Local projects & other training - grants and fees	11,402	40,207	51,609
Events Income	—	1,600	1,600
Other income from charitable activities	4,344	2,988	7,332
	<u>492,432</u>	<u>44,795</u>	<u>537,227</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

6. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Accredited courses - fee income	428,403	—	428,403
Local projects & other training - grants and fees	7,641	47,254	54,895
Events Income	667	2,558	3,225
Other income from charitable activities	23	2,022	2,045
	<u>436,734</u>	<u>51,834</u>	<u>488,568</u>

7. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Rental income	—	—	1,075	1,075
	<u>—</u>	<u>—</u>	<u>1,075</u>	<u>1,075</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	46	46	41	41
	<u>46</u>	<u>46</u>	<u>41</u>	<u>41</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Fundraising and publicity costs	56,403	56,403	60,187	60,187
	<u>56,403</u>	<u>56,403</u>	<u>60,187</u>	<u>60,187</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Artist facilities	–	31,722	31,722
Live music promotion and Artist and business support	13,397	–	13,397
Local youth music promotion	17,679	67,007	84,686
Professional training	348,198	–	348,198
Support costs	164,879	13,890	178,769
	<u>544,153</u>	<u>112,619</u>	<u>656,772</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Artist facilities	–	–	–
Live music promotion and Artist and business support	19,157	–	19,157
Local youth music promotion	20,917	99,397	120,314
Professional training	217,909	–	217,909
Support costs	165,981	14,135	180,116
	<u>423,964</u>	<u>113,532</u>	<u>537,496</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020 £	Total fund 2019 £
Artist facilities	31,722	–	31,722	–
Live music promotion and Artist and business support	13,397	3,472	16,869	22,669
Local youth music promotion	84,686	24,307	108,993	146,656
Professional training	348,198	133,687	481,885	349,616
Governance costs	–	17,303	17,303	18,555
	<u>478,003</u>	<u>178,769</u>	<u>656,772</u>	<u>537,496</u>

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

12. Analysis of governance costs

	2020	2019
	£	£
Audit Fees	13,594	13,262
Trustees Meetings	238	25
Staff	2,298	2,761
Premises	527	1,195
Communications	361	759
Legal & Professional	21	8
Finance	5	6
Marketing	4	57
Other	255	482
Total	<u>17,303</u>	<u>18,555</u>

13. Analysis of support costs

	Live music promotion and Artist and business support	Local youth music promotion	Professional training	Total 2020	Total 2019
	£	£	£	£	£
Staff costs	2,298	16,086	88,473	106,857	84,676
Premises	528	3,692	20,308	24,528	36,633
Communications and IT	361	2,529	13,908	16,798	23,267
Human resources	21	145	797	963	251
Finance costs	5	37	204	246	194
Support costs:					
Marketing	4	31	172	207	1,748
Support costs: Other costs	255	1,786	9,826	11,867	14,792
	<u>3,472</u>	<u>24,306</u>	<u>133,688</u>	<u>161,466</u>	<u>161,561</u>

The basis of allocation of support costs to activities is as follows:

- Staff: Staff time
- Other costs: Usage

14. Net income

Net income is stated after charging/(crediting):

	2020	2019
	£	£
Operating lease rentals	<u>2,764</u>	<u>1,483</u>

Community Music Limited
Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

15. Auditors remuneration

	2020	2019
	£	£
Fees payable for the audit of the audited financial statements	3,399	3,316
Fees for non-audit services	<u>10,195</u>	<u>9,946</u>

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	400,565	397,369
Social security costs	31,876	29,329
Employer contributions to pension plans	<u>7,902</u>	<u>4,300</u>
	<u>440,343</u>	<u>430,998</u>

The average head count of employees during the year was 21 (2019: 22). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Accredited courses	2	2
Artist development	1	1
Development, Education, Networking	2	2
Fundraising and publicity	<u>1</u>	<u>1</u>
	<u>6</u>	<u>6</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £46,893 (2019: £52,120).

17. Trustee remuneration and expenses

No trustees received any remuneration and no trustees received expenses during the year (2019: Nil).

No trustees or other person related to the charity has any personal interest in any contract or transaction entered into by the charity during the year or the previous year.

18. Transfers between funds

Transfers from unrestricted funds to restricted funds are to make good funding shortfalls and eliminate negative fund balances.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

19. Tangible fixed assets

	Office equipment & furniture £	Studio Equipment £	Computers & musical equipment £	Cycle & Computer Scheme Assets £	Total £
Cost					
At 1 April 2019 and 31 March 2020	<u>9,910</u>	<u>29,156</u>	<u>62,969</u>	<u>3,307</u>	<u>105,342</u>
Depreciation					
At 1 April 2019 and 31 March 2020	<u>9,910</u>	<u>29,156</u>	<u>62,969</u>	<u>3,307</u>	<u>105,342</u>
Carrying amount					
At 31 March 2020	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2019	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

20. Debtors

	2020 £	2019 £
Trade debtors	22,403	9,989
Prepayments and accrued income	4,011	3,903
Accrued income	275,720	229,848
Other debtors	51	2,128
	<u>302,185</u>	<u>245,868</u>

21. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	596	1,679
Accruals and deferred income	1,133	—
Social security and other taxes	9,056	9,418
Deferred Income	11,617	40,810
Other creditors	46,331	58,592
	<u>68,733</u>	<u>110,499</u>

The figure of other creditors includes a pension liability of £1,489 (2019: £988). There is no other pension liability other than those disclosed above.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

Deferred Income

	2020	2019
	£	£
At 1 April 2019	40,810	42,416
Additions during the year	11,617	(40,810)
(Amounts released to income)	(40,810)	(42,416)
At 31 March 2020	<u>11,617</u>	<u>40,810</u>

Deferred income represents grants received for the purpose of expenditure in a future period.

22. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £7,902 (2019: £4,300).

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

23. Analysis of charitable funds

Unrestricted funds

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
General funds	370,569	641,680	(600,556)	—	411,693

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
General funds	286,194	597,304	(484,151)	(28,778)	370,569

Restricted funds

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Youth Music - General	17,034	94,988	(80,897)	—	31,125
Children in need	1,335	—	—	—	1,335
Offbeats / JAC Trust	—	—	—	—	—
Youth Music - 'Can Play, Will Play'	581	—	—	—	581
Arts Council - Capital Grant	—	31,722	(31,722)	—	—
	18,950	126,710	(112,619)	—	33,041

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
Youth Music - General	4,736	85,814	(98,528)	25,012	17,034
Children in need	—	9,600	(8,265)	—	1,335
Offbeats / JAC Trust	2,973	—	(6,739)	3,766	—
Youth Music - 'Can Play, Will Play'	581	—	—	—	581
Arts Council - Capital Grant	—	—	—	—	—
	8,290	95,414	(113,532)	28,778	18,950

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Current assets	480,426	33,041	513,467
Creditors less than 1 year	(68,733)	–	(68,733)
Net assets	411,693	33,041	444,734

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Current assets	481,068	18,950	500,018
Creditors less than 1 year	(110,499)	–	(110,499)
Net assets	370,569	18,950	389,519

25. Analysis of changes in net debt

	At 1 Apr 2019 £	Cash flows £	At 31 Mar 2020 £
Cash at bank and in hand	254,150	(42,868)	211,282

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	1,584	1,219
Later than 1 year and not later than 5 years	3,875	2,631
	5,459	3,850

27. Post balance sheet events

The trustees have considered the likelihood of any negative subsequent events arising from the impact of COVID-19 and have concluded that the incidence of such events is likely to be minimal.

The trustees also considered the likelihood of other significant post balance sheet events, and concluded that there are none which impact the financial statements.

28. Related parties

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year.

Community Music Limited

Company Limited by Guarantee

Notes to the Audited Financial Statements *(continued)*

Year ended 31 March 2020

29. Going Concern (COVID-19)

The Trustees have been carrying out a continuous assessment of the impact of COVID-19 on the operations of the charity, and considered the risks and threats posed.

The Trustees are satisfied that to date, the threat to operations has been minimal, and whilst working arrangements have had to be adapted, this has not significantly reduced the effectiveness of the organisation.

The Trustees are monitoring events in the country as a whole, and have a protocol in place, to provide a quick response to any changes in the operating environment, but currently do not anticipate any circumstances that significantly curtail the ability of the charity to function.

The Trustees have also considered the non-COVID-19 related circumstances and projections of the charity, and are satisfied, that the going concern basis, is appropriate for these financial statements.



Brady Arts Centre
192-6 Hanbury Street, London E1 5HU
tel: 020 7377 0621
website: www.cmsounds.com
email: everyone@cmsounds.com

Letter of Representation

John Assie

Jackson Nicholas Assie Limited t/a Jackson & Jackson

Suite 7 Meridian House

62 Station Road, Chingford

London, E4 7BA

Dear Sirs,

Representation

This representation letter is provided in connection with your audit of the financial statements of the company for the year ended 31 March 2020, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material aspects, (*or give a true and fair view*) in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 and the Charities Act 2011, the Companies Act 2006 and UK generally Accepted Practice.

We confirm that the following representations are made on the basis of enquiries of the directors, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

1. We have fulfilled our responsibilities as directors under the Companies Act 2006 for preparing financial statements, in accordance with the applicable financial reporting framework.

We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2020.
2. We confirm that all accounting records have been made available to you for the purposes of your audit, in accordance with your terms of engagement, and that all transactions undertaken by the company have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders' meetings, have been made available to you. We have given you unrestricted access to persons within the company in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
3. We acknowledge that it is a criminal offence to make a false statement in this regard, and where any director either makes a false statement; is aware that the statement is false; is reckless in preventing this statement; or fails to take reasonable steps to prevent the directors' report from being approved, we acknowledge that each director will be guilty of a criminal offence.

4. We confirm that the company is controlled by the Board of Trustees and that the ultimate controlling party is the Board of Trustees.
5. We confirm the company has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
6. We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
7. We confirm that we have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.
8. We confirm that the company has no liabilities or contingent liabilities other than those disclosed in the financial statements.
9. We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework (UK GAAP).
10. We have disclosed to you the following events occurring subsequent to the date of the financial statements for which the applicable financial reporting framework requires adjustment or disclosure:
[Details: The effects of COVID-19 on the charity]
11. We confirm that we are aware of the definition of a related party for the purpose of the accounting framework being applied in the preparation of the accounts.
We confirm there are no such related party relationships and transactions.
12. We confirm that any such related party relationships and transactions that do arise are accounted for and disclosed to you in the financial statements in accordance with UK Generally Accepted Accounting Practices.
13. We confirm that the company has not contracted for any capital expenditure other than as disclosed in the financial statements.
14. We confirm that the company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
15. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the company conducts its business and which are central to the company's ability to conduct its business, namely the Companies Act 2006 and Charities Act 2011, except as explained to you and as disclosed in the financial statements.
16. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the business.

17. We confirm that there have been no actual or suspected instances of fraud involving management or employees who have a significant role in internal control that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by employees, former employees, analysts, regulators or others.
18. We confirm that, in our opinion, the company's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the company's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, including the availability of working capital and have considered a future period of at least one year from the date on which the financial statements [were/will be] approved. In particular we have carried out an assessment of the impact of COVID 19 and consider that this has not compromised the organisation's status as a going concern.
19. We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter.
20. We confirm that, in respect of the restatement to correct a material misstatement in prior period financial statements that affects the comparative information (and any other period covered by your work), *the adjustment relates to the correction of a fundamental error which has no bearing on the results of the current period, and accordingly, should be accounted for by restating prior periods.*
21. We confirm that we are not aware of any matters of material significance that should be reported to regulators. We confirm that all correspondence with Companies House and Charity Commission have been made available to you.
22. We confirm that there are no contingent liabilities other than those disclosed in the accounts.
23. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that:
 - so far as each director is aware, there is no relevant audit information of which you as auditors are unaware, and
 - each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that you are aware of that information.
24. We acknowledge that it is a criminal offence to knowingly or recklessly make you as an auditor, a statement (oral or written) that conveys, or purports to convey, information or explanations that you require in your capacity as auditor, or are entitled to require, that is misleading, false or deceptive in a material particular.



Brady Arts Centre
192-6 Hanbury Street, London E1 5HU
tel: 020 7377 0621
website: www.cmsounds.com
email: everyone@cmsounds.com

We confirm that the above representations are made on the basis of enquiries of the Board and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy us that we can properly make each of the representations to you.

As minuted by the Board of Trustees at its meeting on^{10/21/2020} [date]

Signed Neil Cartwright

Print Name NEIL CARTWRIGHT

Date: 2 December 2020

Trustee

Signed John Prince

Print Name JOHN PRINCE

Date: 2 December 2020

Trustee



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List of Uncorrected Errors

A total of £9,083 bad debts has not been unadjusted in the 2020 financial statements on the basis of them not being material, these amounts, however, will be adjusted in the subsequent financial statements.

A balance of £51.23 that relates to amounts recoverable from M Klincke for a loan advance had been treated as an unadjusted error.

A total of £6,372 relating to an under provision of accrued income relating to income from University of Westminster has been unadjusted in the financial statements. This difference was established by comparing what was still receivable based on the budgeted figures and what was actually received in the following financial year.