

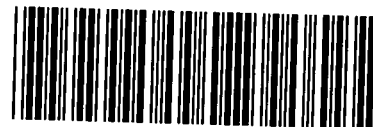


Company no. 03750674
Charity no. 1075032

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The National Foundation for Youth Music
Report and Financial Statements
31 March 2019

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THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

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Report of the Trustees for the Year Ended 31 March 2019

About Youth Music

We're a national charity investing in music-making projects that help children and young people aged 0-25 to develop personally and socially as well as musically.

We work particularly with those who don't get to make music because of who they are, where they live, or what they're going through.

We believe in practical, creative music-making of every possible genre, style and technique. Everyone has the ability to make music. They just need support and guidance to discover what works best for them.

We support children and young people to build their confidence, resilience, and self-esteem. To meet different kinds of people, learn to trust each other, and make friends. To develop vital skills they need, get support to be able to face the world, and take control of their own lives. Projects funded by Youth Music help to break down barriers at all stages – helping children develop an early love of music, providing diverse role models, introducing young people to a wide variety of potential career paths, and working with the music industry to make its practices more inclusive.
www.youthmusic.org.uk

Introduction

The Trustees present their report, together with the financial statements, for the year ended 31 March 2019. The financial statements have been prepared in accordance with the accounting policies set out in *Notes to the accounts* (p 21-34). Throughout this report and the financial statements, "Youth Music" refers to The National Foundation for Youth Music.

2018/19 was a successful year for Youth Music. The year saw a continuation of our existing business plan, as well as a refining of strategy and an increase in ambition.

2019 marks Youth Music's 20th Anniversary, giving us an opportunity to reflect on the impact of the past two decades; highlight the achievements of the young musicians, workforce and organisations that we support; raise awareness of inclusive practice; and grow our brand profile with the general public.

In March 2019, the Arts Council England National Council ratified our funding agreement, confirming funding of £9.651m per year from June 2019 – March 2022. As part of this process, we submitted an updated business plan for the same period: *Supporting young people's lives in music*. This plan was developed in close alignment with Arts Council England, through meetings with Relationship Managers, Bridge Organisations, and Communications Team members.

The plan focuses on one clear aim, with three supporting objectives:

Aim: Youth Music models best practice in equality, diversity and inclusion to promote a fairer and more equitable music education for all children and young people

- Objective 1: Ensure the diversity, reach and equitability of the grants programme
- Objective 2: Improve the infrastructure for children and young people to make music
- Objective 3: Be a representative, respectful and resilient organisation

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Report of the Trustees for the Year Ended 31 March 2019

These have been identified in consultation with Youth Music's Trustees and will be reported against at board level.

We are very grateful to Arts Council England for their continued support in our role as a delegated distributor of National Lottery funds, and to all our other supporters and stakeholders, including People's Postcode Lottery who worked alongside us in 2018/19.

Objective 1: Ensure the diversity, reach and equitability of the grants programme

As an outcomes-based funder with expertise in measuring impact, our outcomes approach underpins everything we do as a grant-maker, across five areas: musical, personal and social outcomes for young people, alongside outcomes for organisations and the workforce.

In 2018/19 we awarded grants totalling £9,089,249. Using our regional balancing process, we continued to ensure that investment was distributed equally across the country, taking into account the demographics, indices of deprivation, and existing arts investment in each of the nine regions. More than 87% of our investment was allocated outside London (£7,927,284), with 7% (£660,711) allocated towards programmes delivering on a national level, and no region receiving less than 7% of our total investment.

During the year we invested a total of £9,041,480 across 145 organisations, supporting them to deliver 148 projects, investing £2,312,819 in Fund A (91 grants), £4,709,845 in Fund B (44 grants) and £2,018,816 in Fund C (13 grants). To support the sustainability and development of organisations we invest in, we provided supplementary grants to the value of £47,769 (3 grants) comprising of two grants supporting organisational transition (£47,500) and one grant to enable youth participation (£269).

The organisations we supported leveraged an estimated additional £6,841,346 towards the delivery of their projects. 36% of the organisations we provided grants to had not previously been supported by us (with just over 50% of Fund A grant awards going to organisations we were funding for the first time) demonstrating our continued commitment to diversifying the range and type of organisations we support. 37% of the organisations we funded identified as diverse-led, and 47% of organisations self-defined as having a diverse leadership team based on the background of the key strategic decision makers within the organisation.

More information about the organisations we invested in and the impact achieved in 2018/19 will be published in our Impact Report which will be available to download from Autumn 2019.

Objective 2: Improve the infrastructure for children and young people to make music

Strengthening the music education sector

In April 2018, the second round of programmes funded under Youth Music's Fund C began. To acknowledge their strategic role and collective impact, these 13 organisations, along with Youth Music, chose to be known as the Alliance for a Musically Inclusive England (AMIE). Partnerships at local and national levels are central to the work of the Alliance.

The partnership network includes 60 Music Education Hub lead organisations, universities, Arts Council England, Arts Council Bridge Organisations and National Portfolio Organisations, young people's charities, other Youth Music funded organisations, orchestras, and music and arts development organisations.

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Report of the Trustees for the Year Ended 31 March 2019

Raising awareness of musically inclusive practice

Youth Music conducted two major pieces of research throughout 2018/19:

The *Sound of the Next Generation* report, produced in collaboration with Ipsos Mori, offered ground-breaking insights into the diverse ways young people engage with and value music and music-making, bringing to light the positive and meaningful impact music has for them.

Exchanging Notes - an innovative four-year partnership project between music organisations and schools, reimagining what music in schools could be – came to a close this year, with the final report published in May 2019. The research was conducted by Birmingham City University. Both reports received significant press coverage, raising the profile of Youth Music, and increasing understanding of what inclusive music-making entails.

Fundraising initiatives

The 100 Choirs fundraising initiative took place twice in 2018, in April and December. This was a partnership with Network Rail where choirs performed and fundraised for Youth Music at railway stations across England. In total the events raised £3,086, engaged supporters and volunteers nationwide, and increased the visibility of Youth Music's brand.

The third Give a Gig Week saw a change in strategy, focusing on securing a smaller number of big names rather than as many grassroots events as possible. This proved successful, with high-profile performances from Clean Bandit and AURORA. Tickets for these gigs were available to the public through a prize draw. Overall, Give a Gig Week raised £39,924.

Increasing public profile of Youth Music figures

Increasing the profile of key Youth Music figures increases our ability to be 'in the room' as key players in the music education and music industry sectors.

In her first full year in the role of Chair, YolanDa Brown has raised awareness of her Youth Music involvement through events and interviews, including giving a keynote speech at the Music Mark conference in November 2018.

CEO Matt Griffiths appeared in the media (including on Sky News), at music industry events (including The Great Escape festival), and continued his high level engagement in the music education sector (including chairing the Cultural Learning Alliance). He was consulted by the Department of Education to contribute opinions on the direction of the forthcoming National Plan for Music Education.

In January 2019, we appointed new Youth Music celebrity Ambassadors, who have committed to a number of profile-raising activities throughout the year. These are presenter and multi-instrumentalist Myleene Klass, electronic music duo Bicep, folk musician and band leader Kathryn Tickell and award-winning musician and film composer Ollie Howell.

Objective 3: Be a representative, respectful and resilient organisation

Youth voice and participation

There has been a significant shift in Youth Music's approach throughout the year, with a desire, driven by the Chair and adopted by the full staff team, to engage young people more directly in all areas of our work. This will be developed further in 2019/20 and beyond, but we undertook a number of activities to lay the groundwork this year, including:

- Communications and brand development – we developed a new logo to make our visual identity clearer and more appealing. We adjusted our key messaging away from a focus on

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Report of the Trustees for the Year Ended 31 March 2019

challenging circumstances, and towards the achievements and potential of young musicians. We also produced video as well as written case studies, increasing youth voice in our communications.

- Pilot schemes – we piloted several ways to include young people directly in our work, including training for all staff from Sound Connections; consulting with young people about our grants programme and communications; performance opportunities including Give a Gig Week support slots and the Sound of the Next Generation launch; and paid freelance opportunities including making Give a Gig Week films. Our paid internship programme continued with a nine-month Fundraising and Events role.

Inclusive organisational practices

We continued our role on the Living Wage Funder steering group, helping to increase the uptake of the Living Wage throughout the arts and culture sector. We were nominated as a Funding Champion at the 2018 Living Wage Champion Awards, and won in 2019. Following feedback from and consultation with the staff team, we offered more opportunity for flexible working to all staff. We introduced anonymous applications for all job roles, and removed questions about educational background (unnecessary for most roles). We also produced our Equality, Diversity and Inclusion action plan.

Legal compliance

We are registered with the Fundraising Regulator. We did not employ professional fundraisers and we did not undertake direct marketing activity other than communicating with supporters of Youth Music who consented to receive communications from us (and can opt out at any time). We review our communications and fundraising approaches on a regular basis to ensure that we do not exert any undue or unwelcome pressure on any existing or potential supporter. We keep a log of complaints relating to our fundraising activities for annual submission to the Fundraising Regulator - we received no complaints in 2018/19.

We prepared fully for the introduction of the General Data Protection Regulation in May 2018, ensuring our practices were compliant and our policies were clearly communicated. We received no complaints in 2018/19.

We adopted the Charity Governance Code which trustees refer to regularly to inform our governance practices and procedures and both our Chair and COO attended the NCVO/BWB Trustee Conference in November 2018 to further inform their knowledge and understanding of good practice and compliance requirements across our sector.

In 2019 we become a People's Postcode Lottery promoting and have remote and non-remote operator licence's with the Gambling Commission and a membership with the Lotteries Council.

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Report of the Trustees for the Year Ended 31 March 2019

The key activities we will undertake in 2019/20 towards achieving our aims include

- *Fundraising and partnerships* - due to changing practices in the charity sector, we did not replace the outgoing Fundraising Director. This responsibility has now been taken on by the CEO, and owned by the organisation. Due to renewed funding from Arts Council England, and new income due to be generated as a People's Postcode Lottery promoting society, our focus for 2019/20 is more on forming partnerships than on direct fundraising.
- *Opportunities for young people* – in October 2019 we will be holding the first ever Youth Music Awards, creating multiple opportunities to engage project participants directly in our work. We also plan to create a number of paid freelance opportunities for young people through the development of our Youth Music Creatives programme, and to appoint two new Trustees aged 25 or under.

Increased public profile – in March 2019 we appointed a PR agency, Stand, to help us grow our public profile, raising awareness of our work and ultimately benefiting the young people we support through our projects. This relationship has already brought significant success through the Exchanging Notes campaign. We hope to develop our PR activities further throughout 2019/20. We will ensure proportionality in PR activities relating to our largest funder, National Lottery via Arts Council England, and our second largest funder, People's Postcode Lottery.

Objects and activities for the public benefit

The primary object of Youth Music is "to advance the education of the public (especially young people) in the art and science of music". The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant-making policy for the year. In line with this guidance, Youth Music has always supported music-making activities, particularly for children and young people facing challenging circumstances.

Charity trustees have a new duty to report on their charity's public benefit in their Trustee's Annual Report. They should demonstrate that:

- **The benefits generated by the activities of the charity are clear.**
This report sets out the activities which Youth Music has carried out this year to further each of our core objectives.
- **The benefits generated relate to the objects of the charity.**
All activities undertaken are intended to further Youth Music's charitable object, set out above.
- **The people who receive support are entitled to do so according to criteria set out in the charity's objects.**
All Youth Music's projects are centred around children and young people, particularly those experiencing challenging circumstances.

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

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Report of the Trustees for the Year Ended 31 March 2019

Reference and administrative details

The Trustees, who are also Directors for the purposes of Company law, who served during the year and up to the date of signing were:

YolanDa Brown – Chair
Richard Peel
Rafi Gokay
Tim Berg
Peter Low (retired 16/9/19)

Chris Price
Rachel Nelken
Rachel Lindley
Sam Ross

All Trustees/Directors are non-executive and are not remunerated for services rendered to Youth Music.

Registered office

Studios 3-5,
Swan Court,
9 Tanner Street,
London,
SE1 3LE

Charity registration number
1075032

Company registration number
03750674

Professional Advisors

External Auditor
Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

Chartered Accountants
JS2, One Crown Square, Church Street East, Woking, GU21 6HR

Bankers
Lloyds TSB, 344 Gray's Inn Road, London
Coutts, 440 Strand, London WC2R 0QS

Legal and administrative details

The registered name of the charity is The National Foundation for Youth Music. The charity was incorporated as a company limited by guarantee on 8 April 1999. The charity is governed by the provisions of its Memorandum and Articles of Association.

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Report of the Trustees for the Year Ended 31 March 2019

Structure, governance and management

The Board of Trustees meets four times a year. In addition, there is an Annual Trustee Awayday, which is an opportunity to focus on matters of potential strategic significance to inform future planning.

The primary focus of the Board includes the following: Strategy and Policy, Governance, Finance and Operations.

Trustee appointment, induction and training

Trustees are appointed by the Board, and new Trustees receive an induction in order to brief them on their legal obligations and to meet key employees and other Trustees.

Trustees are encouraged to visit Youth Music projects to gain a better understanding of the work of the Charity and also to attend relevant training events in order to maintain and develop their knowledge and skills.

Detailed administration information

With a view to focusing on effective governance and to optimise the specialised skills and areas of expertise of individual Trustees, the Board has delegated specific responsibilities to individual Trustees based on skills and experience. Day-to-day operational management of the charity has been delegated to the Chief Executive Officer and his team.

The Trustees have a Finance and Audit sub-committee, which also meets four times a year in addition to the full Trustee meetings, who fulfil their primary responsibilities, as follows:

- To ensure the adequacy of internal controls, review the management of risk within Youth Music, and monitor the relationship with the internal and external auditors.
- To maintain an overview of the strategies, policies and operations of Youth Music to ensure effective management of the organisation's assets and resources.

Additionally, the committee has responsibility for HR & Remuneration and will consider and determine the remuneration and benefits package of the Chief Executive Officer and the staff, as well as ensuring that staff policies, procedures and development plans are in accordance with best practice and that the HR strategy is in accordance with the Business Plan.

The committee also recommends the formal approval of the Annual Report and Accounts to the Board at the September trustees meeting.

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Report of the Trustees for the Year Ended 31 March 2019

Executive Team

The Senior Leadership Team throughout the year at Youth Music was:

Chief Executive Officer	Matt Griffiths
Chief Operating Officer	Angela Linton
Programme Director	Carol Reid

The Senior Leadership Team works under the guidance of the Trustees, to whom they are ultimately responsible. The organisation's strategic plan is the principal document approved by the Board from which annual operating plans and budgets are developed. The Board monitors progress and achievement of results against the plans. Through robust management, planning and innovation the team members design and formulate policy for programmes and awards as well as develop and manage the grant application process and subsequent monitoring of grant awards and performance. This on-going review process helps ensure that the focus remains on the public benefit derived from the funding received.

Auditors

Each of the current Directors has taken all the steps that they ought to have taken to make themselves aware of any information needed by the charitable company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

Employment policies

Youth Music is an equal opportunities employer and the policies and procedures applicable to human resources are kept under regular review and updated in accordance with best practice and changes in the laws relating to employment.

Pay policy for senior staff

The Board of Trustees and the senior leadership team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 to the accounts.

Senior staff remuneration is reviewed annually by the Finance & Audit Committee and the CEO.

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Report of the Trustees for the Year Ended 31 March 2019

Reserves policy

In October 2018, the Trustees reviewed and ratified Youth Music's Reserves Policy for the organisation. Key features of this policy were as follows:

- To provide an element of security and contingency within the uncertain funding environment in which the Charity operates;
- To fulfil our obligations to our employees and the Landlord;
- In the event of such action becoming necessary, to enable the Charity to restructure its operations in an orderly and compassionate manner;
- To provide a contingency in the event that we experience a shortfall in our annual breakeven-fundraising.

At the end of each quarter the Chief Executive Officer reports to Trustees on the following:

- The level of reserves at the end of the most recent quarter;
- The projected future reserves, based on medium-term financial projections, which will be regularly updated and compared with reserves calculated in accordance with this policy.

In considering the appropriate level of free reserves that the Charity should hold, the Trustees determined that:

- £600,000 should be retained to fulfil our obligations in respect of three months operating costs, to fulfil our obligations to employees and the Landlord, and to enable the charity to restructure or bring to an end its operations as outlined above;
- £400,000 should be retained to provide a contingency in respect of a shortfall in annual breakeven fundraising. This figure was considered appropriate based on the current and anticipated sources of income other than from ACE.

The Trustees then considered the excess of funds over the above £1 million requirement, recognising that the charity would benefit from investment in our monitoring and evaluation, communications and fundraising activities.

Designated Reserves

As at 31 March 2019 Youth Music had designated reserves of £2,389, comprising of the Capital fund represented by the book value of fixed assets.

Other unrestricted reserves

The remaining unrestricted reserves amount to £1,489,974 against a target level of £1 million. The Trustees are currently reviewing the Charity's reserves requirements in the context of the changing nature of the partnership with People's Postcode Lottery. Following that review any funds considered as in excess of our reserve requirements will be used in part to invest in the infrastructure of the Charity and the balance will be granted in accordance with our charitable objectives. The Trustees continue to be aware of identified risks, including the long-term security of Arts Council Funding.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Report of the Trustees for the Year Ended 31 March 2019

Strategic Report

Achievements and performance

For details of the achievements and performance of the Charity in the year, please refer to the 2018/19 overview provided on pages 2-5.

Key performance indicators (KPIs)

The Trustees regularly monitor the progress of the Charity by reference to both financial and non-financial KPIs, which have been developed to ensure that key elements of our strategy are met. For further details in relation to current year performance against target KPIs, please refer to the 2018/19 overview on pages 2-5 and the financial review below.

Financial review

Total income recognised during the year amounted to £10,361,006 (2018: £10,357,414). This includes full recognition of approved grants receivable relating to the accounting period.

Core lottery-funded income from ACE was £9,651,000 for the year (2018: £9,651,000). The percentage of ACE income granted out to beneficiary organisations was 92% (2018: 92%), in line with the funding agreement. Other income comprising donations, grants, and investment income totalled £706,414 (2018: £602,802)

Expenditure for the year amounted to £10,174,229 (2018: £10,389,181) of which 97% (2018: 96%) was spent on charitable activities and 3% (2018: 4%) to generate voluntary income. Grants of £212,015 (2018: £194,249) previously recognised but not used by grant recipients were written back enabling additional awards to be made during the year.

There was a zero balance on restricted funds at the year-end (2018: £Nil).

The surplus of income over expenditure on unrestricted funds, amounting to £186,776 (2018: £31,767 deficit), has been added in to unrestricted reserves, as shown in note 16 to the financial statements.

As a result, reserves of £1,492,363 (2018: £1,305,586) were carried forward at 31 March 2019, of which £Nil (2018: £Nil) related to restricted funds.

Plans for future periods

For details of future plans and developments, please refer to the relevant section on page 5.

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Report of the Trustees for the Year Ended 31 March 2019

Strategic Report (continued)

Principal risks and uncertainties

Youth Music has developed processes to identify potential risks and uncertainties which could adversely impact the achievement of its strategic objectives and/or its operational performance.

Current key strategic risks and steps to mitigate against them as identified by the Board - include:

Loss of continuation of Arts Council England funding

ACE National Council confirmed our funding in March 2019 at the current level of £9.651m for the period 1 April 2019 to 31 March 2022. The review process provided us with the opportunity to forge strong relationships with our ACE colleagues and together we were able to evidence alignment. Subsequently a meeting cycle has been established which will allow us to review our impact and respond to regional needs as well as providing us with the opportunity to meet with members of the ACE Senior Executive team twice a year to discuss strategy.

Diversification of Income

Towards achieving our ambition to raise money to grant out funds over and above the ACE lottery grant we refreshed our fundraising strategy in 2017. Within the strategy we set out our approach towards building on our success and outlined our restricted and unrestricted funds targets in recognition that we do also have an organisational need. Trustees are committed to supporting us to continue to grow and diversify our income.

Loss of PPL Funding

Building on our strong relationship with PPL we were invited to apply for our Gambling Commission licences to enable us to become a promoting society in 2019. PPL have invited us to present our use of funds proposal outlining our aims over the next five years and have indicated that they will run up to five draws in Youth Music's name between August and December 2019, a schedule which hopefully will be repeated annually. The Senior Leadership Team is committed to building on this successful partnership.

Professional Reputational risk within sector

Our business plan outlines our goal to use our expertise to support the sector by providing leadership and expertise to embed high quality musical inclusion practice, particularly within the Music Education Hubs. In recognition of this we are committed to ensuring that the organisation adopts good governance practices, has a communications strategy to underpin all areas of operation, works collaboratively with partners and that the funding programme priorities are clear, the assessment process transparent and our impact evidence is made public.

Safeguarding

We seek to ensure that we have policies and procedures in place to ensure that we are both legally compliant and have adopted best practice guidance as a charitable organisation and a company limited by guarantee. As a funder we have a duty of responsibility to clearly set out our policies, practices and requirements for prospective and current grantholders. We therefore undertake to regularly review our policies and seek legal advice as appropriate to ensure that our policies and practices are compliant, appropriate and transparent. Our safeguarding policy and Funding Agreement were both reviewed by BWB prior to being ratified by trustees in April 2018.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Report of the Trustees for the Year Ended 31 March 2019

Operational

Good governance is integral to our organisational excellence aim outlined within the business plan. We have identified KPIs by which the executive team and trustees will measure our progress towards being an inclusive organisation with a diverse and experienced staff team and trustee board. We reviewed our recruitment strategy introducing a blind recruitment process and diligently gather data on applicants and those appointed which we analyse and use to inform our next steps. We implemented an internal restructure towards the end of the financial year with a view to ensuring that we have the right structure and people in place to enable us to achieve our organisational ambition going forward. We are committed to supporting individual professional progression and learning across the organisation and implemented a new performance review policy effective April 2019.

All risks and uncertainties, including the key risks are brought together in the company's risk register. This register is regularly reviewed by the Senior Leadership Team, investigated by the Finance and Audit Committee and ratified by the full board annually.

The Board is satisfied that appropriate systems and responses are in place to monitor, manage and mitigate Youth Music's exposure to major risks.

The Report of the Trustees and Strategic Report were signed on behalf of the Board

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Statement of Trustees' Responsibilities

Statement of Trustees' Responsibilities

The Trustees, who are also directors of the charitable company, are responsible for preparing their report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and the group and of the surplus or deficit for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

The Trustees are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the auditors

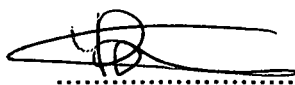
So far as the Trustees are aware:

- (a) there is no relevant audit information of which the Company's auditors are unaware, and
- (b) they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

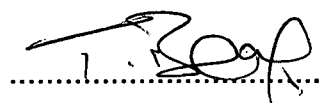
Auditors

In accordance with Section 485 of the Companies Act 2006 a resolution proposing that Haysmacintyre LLP be appointed as auditors will be put to the Annual General Meeting.

Approved by the Trustees on 2019 and signed on their behalf by:


.....

Chair, Trustee


.....

Chair, Finance and Audit Committee

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL FOUNDATION FOR YOUTH MUSIC

for the Year Ended 31 March 2019

Opinion

We have audited the financial statements of The National Foundation for Youth Music for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flow and the related notes to the financial statements, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of the charitable company's net movement in funds, including the 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.

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 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 financial statements in the UK, including the FRC's Ethical Standard, 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 14 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL FOUNDATION FOR YOUTH MUSIC

for the Year Ended 31 March 2019

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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.

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' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' 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 by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL FOUNDATION FOR YOUTH MUSIC

for the Year Ended 31 March 2019

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Anna Bennett (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

..... 17 Sept. 2019

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Statement of Financial Activities (incorporating the Income and Expenditure Account) for the Year Ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Income					
<i>Income from:</i>					
Donations	2	597,454	9,731,000	10,328,454	10,331,750
Charitable activities	3	-	-	-	334
Investments		32,552	-	32,552	25,263
Other		-	-	-	67
Total income		630,006	9,731,000	10,361,006	10,357,414
Expenditure					
<i>Expenditure on:</i>					
Raising funds	4,6	237,926	50,000	287,926	396,430
Charitable activities	5	205,303	9,681,000	9,886,303	9,992,751
Total Expenditure		443,229	9,731,000	10,174,229	10,389,181
Net income / (expenditure)		186,777	-	186,777	(31,767)
Transfers between funds		-	-	-	-
Net movement in funds		186,777	-	186,777	(31,767)
Fund balances brought forward at 1 April 2018		1,305,586	-	1,305,586	1,337,353
Fund balances carried forward at 31 March 2019	15,16	1,492,363	-	1,492,363	1,305,586

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 21 to 34 form part of these financial statements.

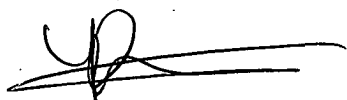
THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Balance Sheet as at 31 March 2019 (Registered Company No. 03750674)

	Note	2019 £	2018 £
Fixed assets			
Tangible fixed assets	10	2,389	11,065
Current assets			
Debtors	11	2,511,697	2,541,912
Cash at bank		7,497,475	7,199,374
		10,009,172	9,741,286
Creditors: amounts falling due within one year	12	(6,422,553)	(6,638,530)
Net current assets		3,586,619	3,102,756
Total assets less current liabilities		3,589,008	3,113,821
Creditors: amounts falling due after one year	13	(2,096,645)	(1,808,235)
Net assets		1,492,363	1,305,586
Funds			
Restricted funds	15	-	-
Unrestricted funds	16	1,492,363	1,305,586
		1,492,363	1,305,586

The accounts were approved by the Trustees, authorised for issue and signed on the Board's behalf by

YolanDa Brown
Chair, Trustees



DATE

Tim Berg
Chair of Finance and Audit Committee



DATE

The notes on pages 21 to 34 form part of these financial statements

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Statement of Cash Flows for the Year Ended 31 March 2019

	<i>Note</i>	2019 £	2018 £
Cash provided by (used in) operating activities		265,549	337,251
Cash flows from investing activities			
(Purchase) of tangible fixed assets	10	-	(3,627)
Interest received		32,552	25,263
Cash provided by (used in) investing activities		32,552	21,636
Change in cash and cash equivalents during the year		298,101	358,887
Cash and cash equivalents at the start of the year		7,199,374	6,840,487
Cash and cash equivalents at the end of the year		7,497,475	7,199,374
Reconciliation of net income to net cash flow from operating activities			
<i>Net movement in funds</i>		186,776	(31,767)
Adjustments for			
Depreciation of tangible assets		8,676	11,424
Interest received		(32,552)	(25,263)
Decrease / (increase) in debtors		30,216	(15,580)
Increase / (decrease) in creditors		72,433	398,437
Net cash generated from operating activities		265,549	337,251

The notes on pages 21 to 34 form part of these financial statements.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year

Preparation of accounts on a going concern basis

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the charity's forecasts and projections. After making enquiries the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements

Income

All grants and donations are accounted for gross when receivable, as long as they are capable of financial measurement.

Donated professional services and facilities are recognised on the basis of the value of the gift to the charity where it is practical to obtain such a value.

Grant income

Grants awarded to Youth Music during the year are recognised when there is sufficient evidence as to the entitlement of income, there is probable future receipt and amounts receivable are measurable.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

1. Accounting policies (continued)

Expenditure

All expenditure is accounted for gross, including VAT where applicable, as and when incurred. Expenditure which related directly to Youth Music's charitable objectives are analysed between the following activities:

- Programmes
- Direct costs
- Capacity building

Included in these costs are grants payable. Programmes run for between six months and three years (see note 5).

Direct costs comprise grant support costs, including direct labour, material and other costs relating directly to charitable activities.

The costs of raising funds represent the costs of securing donations and fundraising events.

Staff and support costs (including governance costs) relating to more than one activity have been allocated to activities on a basis consistent with the use of the resources, including management estimate of time spent on activities and apportionment on a headcount basis.

Operating Leases

The costs in respect of operating leases are charged on a straight-line basis over the lease term. The value of any lease incentive received to take on an operating lease (for example, rent-free periods) is recognised as other creditors and is released over the life of the lease.

Pension costs

Contributions to staff personal pension schemes are charged in the year in which they become payable.

Tangible fixed assets

Tangible fixed assets are included at net book value.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all tangible fixed assets, over their expected useful lives. It is calculated at the following rates:

- Electronic equipment - 25%
 - Computer equipment - 25%
 - Fittings and equipment - 25%
- Assets below a cost of £1,000 are not capitalised.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

Accounting policies (continued)

Grant commitments

Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity. Single or multi-year grants are recognised when, following Board approval, the recipient receives the conditional offer of the grant. This is the case unless it cannot be determined with certainty that the recipient will meet these conditions. If at the balance sheet date it is known that any grant liability will not be fully claimed, the liability is corrected to reflect the true extent of the likely claim.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds that have been set aside at the discretion of the Trustees for a specific purpose. Restricted funds are to be used in accordance with specific restrictions imposed by the donor or grantor.

2. Donations

	2019 £	2018 £
Unrestricted		
Postcode Culture Trust	375,000	350,000
Baskin Foundation	15,656	18,318
Anonymous Trust	400	-
Cambridge Audio	-	5,576
Atherton Family Trust	20,000	20,000
Hard Rock Heals Foundation	-	3,430
Cecil Pilkington Charitable Trust	-	3,000
29 th May 1961 Charitable Trust	5,000	5,000
Alchemy Foundation	100,000	-
Individuals	81,398	155,426
	597,454	560,750
Restricted		
ACE	9,651,000	9,651,000
Alchemy Foundation	50,000	50,000
Walcot Foundation	-	15,000
Atherton Family Trust	30,000	40,000
Ronnie Scott's	-	15,000
	9,731,000	9,771,000
Total Donations	10,328,454	10,331,750

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

3. Income from charitable activities

	2019 £	2018 £
Singbook	-	334
Total income from charitable activities	-	334

4. Cost of raising funds

Current Year	Direct costs £	Allocated costs (note 6) £	Total 2019 £	Total 2018 £
Cost of raising funds	170,658	117,268	287,926	396,430
Prior Year				
Prior Year	Direct costs £	Allocated costs (note 6) £	Total 2018 £	Total 2017 £
Cost of raising funds	224,622	171,808	396,430	306,629

5. Cost of charitable activities

Current Year	Grants awarded & programmes costs £	Other direct costs £	Allocated Costs (note 6) £	Total 2019 £	Total 2018 £
Programmes	8,934,662	389,698	287,168	9,611,528	9,688,696
Capacity building	266	182,080	92,429	274,775	304,055
Total	8,934,928	571,778	379,597	9,886,303	9,992,751

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

Cost of charitable activities (continued)

Prior Year	Grants awarded & programmes costs £	Other direct costs £	Allocated Costs (note 6) £	Total 2018 £	Total 2017 £
Programmes	9,027,622	364,814	296,260	9,688,696	9,818,619
Capacity building	-	221,285	82,770	304,055	287,557
Total	9,027,622	586,099	379,030	9,992,751	10,106,176

In some cases grant recipients do not always claim their awards in full and in those cases the amounts are written back into the funding pot and granted out at the next round.

6. Allocated support costs

Current Year	Programmes £	Direct initiatives £	Cost of raising funds £	Total 2019 £	Total 2018 £
Governance					
Staff costs	20,268	6,523	8,277	35,068	38,991
Audit	7,144	2,299	2,917	12,360	12,000
Other	1,130	364	462	1,956	1,532
Other support					
Staff costs	80,922	26,045	33,045	140,012	172,804
External relations	40	14	16	70	264
Consultants and temporary staff	9,562	3,078	3,905	16,545	40,689
Central office	168,102	54,106	68,646	290,854	284,558
Total	287,168	92,429	117,268	496,865	550,838

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

Allocated support costs (continued)

Prior Year	Programmes	Direct initiatives	Cost of raising funds	Total 2018	Total 2017
	£	£	£	£	£
Governance					
Staff costs	20,971	5,859	12,161	38,991	37,547
Audit	6,454	1,803	3,743	12,000	12,013
Other	824	230	478	1,532	1,923
Other support					
Staff costs	92,940	25,966	53,898	172,804	162,230
External relations	142	40	82	264	640
Consultants and temporary staff	21,884	6,114	12,691	40,689	28,640
Central office	153,045	42,758	88,755	284,558	248,188
Total	296,260	82,770	171,808	550,838	491,181

Staff, support and governance costs including costs associated with IT, HR, finance, property and other central services have been allocated to activities on the basis of staff time spent on activities. The total of £496,865 (2018 - £550,838) is split between allocations to the cost of raising funds and the cost of charitable activities as shown in notes 4 and 5 respectively.

Governance costs include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

7. Grants payable and grant liabilities

	2019 £	2018 £
Grants approved to third parties	9,089,249	9,148,359
Grants not utilised by recipients, written back	<u>(212,015)</u>	<u>(194,249)</u>
Net grant expenditure for the year	8,877,234	8,954,110
Grants approved but unpaid at 1 April	8,279,040	7,914,537
Payments made to grant recipients during the year	<u>(8,749,606)</u>	<u>(8,589,608)</u>
Grants approved but unpaid at 31 March	<u>8,406,668</u>	<u>8,279,039</u>

Youth Music does not make grants to individuals. All grants made are made to institutional recipients only. Grants approved are paid out in instalments during the period of the programme of activity to which the grant relates. If, following completion or closure of a programme, any part of the grant remains unclaimed, then this is normally written back against grant expenditure. The grant liability at any point in time represents the net grants approved but unpaid at that time.

A complete list of grant awards made during the year is attached at the end of these financial statements as Appendix A.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

8. Employee emoluments

	2019 £	2018 £
Total emoluments		
- Wages	668,802	702,121
- Employer's National Insurance	67,315	71,868
- Pension contributions	52,830	56,077
	788,947	830,066
Other staff costs (including staff insurance)	32,436	56,927
	821,383	886,993
Employee emoluments in the band £60,000 - £70,000	1	1
Employee emoluments in the band £70,000 - £80,000	1	1
Average number of employees during the year	19	20
Number of employees (FTE)	2019	2018
Fundraising	3.5	4.4
Communications	3.1	2.6
Support	2.8	3.5
Programmes staff	9.0	8.8
	18.4	19.3

No Trustees, nor any person connected with them, received any remuneration during the year

During the year no Trustees received reimbursement of expenses.

Key management personnel include the senior management team. The total employee benefits of the charity's key management personnel, including employer's NIC, were £255,307 (2018: £297,432).

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

9. Net income / (expenditure) for the year

	2019	2018
This is stated after charging:	£	£
Operating leases – land and buildings	61,367	61,367
Depreciation	8,676	11,424
Audit fees (net of VAT)	10,300	10,000

10. Tangible fixed assets

	Fixtures and fittings	Database	Computer & electronic equipment	Total
	£	£	£	£
<i>Cost</i>				
As at 1 April 2018	73,209	27,804	122,426	223,439
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2019	73,209	27,804	122,426	223,439
<i>Accumulated depreciation</i>				
As at 1 April 2018	73,209	20,277	118,888	212,374
Charge for the year	-	6,951	1,725	8,676
Disposals	-	-	-	-
At 31 March 2019	73,209	27,228	120,613	221,050
<i>Net book value</i>				
At 31 March 2019	-	576	1,813	2,389
At 31 March 2018	-	7,527	3,538	11,065

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

11. Debtors

	2019 £	2018 £
Other debtors	32,337	61,158
ACE debtor	2,412,750	2,412,750
Prepayments	66,610	68,004
	2,511,697	2,541,912

12. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	28,623	45,199
Taxation and social security	18,779	20,474
Accruals	46,836	81,946
Grants outstanding	6,310,023	6,470,804
Other creditors	18,292	20,107
	6,422,553	6,638,530

13. Creditors: amounts falling due after one year

	2019 £	2018 £
Grants outstanding	2,906,645	1,808,235
	2,906,645	1,808,235

Creditors falling due after one year consist of grant liabilities in respect of projects that are planned to run past March 2020 into later financial periods, i.e. Youth Music confirmed grants, which cover a period of more than one financial year.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

14. Financial Commitments

At 31 March 2019 the charity had the following minimum lease commitments under non-cancellable operating leases as set out below:

	Equipment 2019 £	Equipment 2018 £	Land and Buildings 2019 £	Land and Buildings 2018 £
Operating lease payments due within 1 year	4,353	4,353	76,708	92,050
Operating lease payments due within 2-5 years	2,218	6,529	-	76,708

15. Restricted funds

2019	Opening balance £	Income £	Expenditure £	Transfers £	Closing balance £
ACE – Lottery	-	9,651,000	(9,651,000)	-	-
Alchemy Foundation	-	50,000	(50,000)	-	-
Atherton Family Trust	-	30,000	(30,000)	-	-
Total funds	-	9,731,000	(9,731,000)	-	-

2018	Opening balance £	Income £	Expenditure £	Transfers £	Closing balance £
ACE – Lottery	-	9,651,000	(9,651,000)	-	-
Alchemy Foundation	-	50,000	(50,000)	-	-
Walcot Foundation	-	15,000	(15,000)	-	-
Atherton Family Trust	-	40,000	(40,000)	-	-
Ronnie Scott's	-	15,000	(15,000)	-	-
Total funds	-	9,771,000	(9,771,000)	-	-

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

15. Restricted funds (continued)

ACE – Lottery

The Lottery funding from ACE is restricted to projects and programmes within England. Towards the costs of increasing music opportunities for children and young people as set out in an "Agreed Programme".

Alchemy Foundation

Towards the cost of Development Director.

Walcot Foundation

Towards the cost of running the Exchanging Notes project with one school in Lambeth.

Atherton Family Trust

Towards the cost of running a Fund B project in Stratford; a Fund A project in Kingston-upon-Thames; and a Fund A project in Hackney.

Ronnie Scott's

Towards the cost of investment in Cosmopolitan Arts, Highfields, Leicester and Second Wave, Lewisham, London.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

16. Unrestricted funds

2019	Opening balance £	Income £	Expenditure £	Transfers £	Closing balance £
Designated - capital fund	11,065	-	-	(8,676)	2,389
General funds	1,294,521	630,006	(443,229)	8,676	1,489,974
Total funds	1,305,586	630,006	(443,229)	-	1,492,363
2018	Opening balance £	Income £	Expenditure £	Transfers £	Closing balance £
Designated - capital fund	18,862	-	-	(7,797)	11,065
Designated – capacity building	230,590	-	(230,590)	-	-
General funds	1,087,901	586,414	(387,591)	7,797	1,294,521
Total funds	1,337,353	586,414	(618,181)	-	1,305,586

Capital Fund - equal to the net asset value of the Foundation's fixed assets.

THE NATIONAL FOUNDATION FOR YOUTH MUSIC ANNUAL REPORT AND ACCOUNTS 2018/19

Notes to the accounts for the Year Ended 31 March 2019

17. Analysis of net assets between funds

Fund balances at 31 March 2019 are represented by:

	Designated funds £	General funds £	Restricted funds £	Total funds 2019 £
Tangible fixed assets	2,389	-	-	2,389
Current assets	-	1,602,504	8,406,668	10,009,172
Liabilities	-	(112,530)	(8,406,668)	(8,519,198)
Total net assets	2,389	1,489,974	-	1,492,363

Fund balances at 31 March 2018 are represented by:

	Designated funds £	General funds £	Restricted funds £	Total funds £
Tangible fixed assets	11,065	-	-	11,065
Current assets	-	1,462,247	8,279,039	9,741,286
Liabilities	-	(167,726)	(8,279,039)	(8,446,765)
Total net assets	11,065	1,294,521	-	1,305,586

18. Related party transactions

There are no related party transactions.