

The UK Association for Music
Education – Music Mark

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2020

Company Registration No 6134823

Charity Registration No 1118542

The UK Association for Music Education – Music Mark

REFERENCE AND ADMINISTRATIVE INFORMATION

Company Name	The UK Association for Music Education – Music Mark
Registered Company Number	6134823
Registered Charity Number	1118542
Registered and Principal Office	3rd Floor 8 Holyrood Street London SE1 2EL
Board of Trustees	James Dickinson (Chair) Yogesh Dattani Martin Fautley Maureen Hanke David Little (Treasurer) Peter Smalley Kerry Watson Peter Bolton Jennifer Gilbert
Patron	Charles Hazelwood
Company Secretary and Chief Executive	Bridget Whyte
Independent Examiner	James Cross For and on behalf of Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	CAF Bank Limited 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
Solicitors	Bates Wells & Braithwaite LLP 2-6 Cannon Street, London EC4M 6YH

The UK Association for Music Education – Music Mark

TRUSTEES' REPORT

For the year ended 31 March 2020

TRUSTEES' ANNUAL REPORT

The Trustees (who are also directors for the purposes of company law) present their report and the financial statements of the UK Association for Music Education – Music Mark (the “Charity” or “Music Mark”) for the year ended 31 March 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities”, issued in 2014 to be compliant with Financial Reporting Standard (FRS) 102, and which is applicable for reporting periods beginning on or after 1 January 2015.

Reference and administrative information set out on page 2 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out on pages 14, 15, and 16 and comply with the applicable law, the Memorandum and Articles of Association and the requirements of the Charities SORP (FRS 102).

OBJECTIVES AND ACTIVITIES

Charitable Objects

As stated in its Memorandum of Articles and Association, Music Mark’s charitable objects are to advance the education of the public in the art of music.

Music Mark is a membership organisation for local authority and independent Music Services, for other music education organisations, their teaching and support teams, their partners and their schools. We advocate on behalf of those members meaning that we ‘speak and act in support of music as a subject, and we promote best practice’. We strive to ensure that all stakeholders understand the value and life-changing potential of music for all children and young people.

Music Mark is also a subject association. Subject associations speak for their subject communities; they are able to undertake research into their members’ concerns and to reflect these back to policy makers. A subject association is never only one lone voice but instead is the collective voice of their subject community; working to ensure the highest quality of teaching.

Principal Activities

Music Mark’s vision is:

Excellent musical learning in and out of school for all children and young people in the UK, which inspires and enriches their lives.

It meets its charitable objects in pursuit of its vision through its mission:

Supporting, connecting, and influencing in pursuit of a high quality, diverse, inclusive music education for all children and young people.

Underpinning this mission are eight strategic aims which outline the focus of Music Mark’s work:

Membership	A simplified structure and increased engagement - providing opportunities for professional debate, sharing good practice, innovation and CPD through local, regional and national events
Influencing & Informing Policy & Practice	The voice for Music Education at a National level – advising and influencing governments and NGOs across the UK and representing the sector on the international stage

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Professional Development	An ongoing programme that provides training, resources and events for all those involved in children and young people's music education in the UK
Schools	A stronger (direct and/or indirect) relationship with schools through membership and as a Music Subject Association
UK	A strong network across the UK, through membership and partnership with individuals and organisations, supporting quality of both provision and outcomes
Music Education in England	Maintain a close relationship with the DfE, consider other government department links, and gain and retain formal status as a Sector Support Organisation (SSO) from Arts Council England
Governance	Clarity of accountability, management, purpose and reporting of the work of Music Mark, including as a limited company and charity
Financial Resilience	Diversified income streams including capitalising on Music Mark's charitable status

Public Benefit

The Trustees have referred to the guidance offered by the Charity Commission in reviewing aims and objectives and in planning activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives and they ensure that these activities are carried out for the public benefit by delivering services that are valued by members and enable those with responsibility in the sector to develop and adopt best practice.

ACHIEVEMENTS AND PERFORMANCE

2019/20 has been a further year of growth for Music Mark.

Membership has remained steady with more engagement in the charity's activities.

The 2019 Annual Conference saw more delegates attending than previous years. It had a focus on 'Partnerships, Collaboration and Enterprise and, with support from some of the Corporate Partners, the event provided a day and a half of valuable training, discussion and networking opportunities. Feedback from the conference was very positive and included confirmation that moving the conference to other parts of the country was welcomed.

An ongoing partnership with Arts Council England enabled Music Mark to develop and deliver further training programmes for its Membership.

Following a successful year in 2018/19 the Board agreed to restructure some of the financial procedures and bring some of the bookkeeping admin within the staff team. Therefore, an additional member of staff – A Finance and Administration Assistant - was appointed in May 2019.

In December the Charity welcomed a new member of staff to replace Stephanie Kennedy as the Comms and Marketing Manager - Fi Simpson.

During the year, the Trustees and Chief Executive agreed to review the work of the charity and develop a plan for future growth and resilience. Working with a consultant – Nigel Taylor – the Chief Executive

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TRUSTEES' REPORT

For the year ended 31 March 2020

reviewed the vision and mission and identified eight strategic aims (see Principal Activities above) through which the charity will develop its work. The outcome of this work was presented at the Annual Conference and subsequently work is ongoing to support and connect the Membership and influence policy makers and other stakeholders in Music Education on their behalf.

The financial year closed with the postponement of the annual Spring Summit due to the COVID-19 pandemic.

Going concern

The financial statements have been prepared under the going concern basis. On the 26th March 2020 the Board carried out a review the agreed budget for the year 2020/21 (originally agreed in January 2020) in light of the developing pandemic relating to COVID-19 and subsequently reviewed this again on the 1st May 2020. Both reviews indicated that, by scaling back some costs and developing new partnerships, the Charity will remain solvent and be able to maintain the level of unrestricted reserves at a level close to that at the end of 2019/20.

FINANCIAL REVIEW

Music Mark recorded an overall surplus of income over expenditure for the year of £24,896 which builds on the surplus of £23,245 in 2018/19.

Restricted income comprised grants received from Arts Council England, £4,627, for funding towards Leadership Development Programme training, £17,589 generated from conferences held in September 2019 for North West of England and South Yorkshire based Members.

Unrestricted income decreased this year compared to last by £8,569 to £325,007. This decrease was partly due to replacing the ticketed Spring Summit to an online webinar-based event due to COVID-19, credit notes were issued for tickets pre-sold.

Expenditure of £26,518 against restricted funds, represented £5,628 against the ACE grants towards the Leadership Development Programmes, together with the costs of £19,076 for the North West conference and £1,814 for the South Yorkshire Conference.

Expenditure from unrestricted funding decreased by £18,732 to £295,809 This decrease was primarily due to the postponement of the Spring Summit in March 2020 which meant that venue hire and associated costs were greatly reduced.

Following the surplus recorded during the year, unrestricted reserves increased from £112,286 to £141,484 Restricted funds carried forward of £9,614 represent unspent funds remaining from the North West members' conferences in 2017, 2018 and 2019 of £9,364 and South Yorkshire Conference £250.

Cash balances increased by £34,503 to £242,627, significantly helped by a number of Music Services applying for 2020/21 memberships in advance of the new year. In addition, a reduction in spending and improved credit control processes.

Reserves Policy

Through careful management of income and expenditure, Music Mark has built up reserves over past years for general contingency requirements.

The Trustees have reviewed the level of free reserves (those not tied up in fixed assets, designated for a specific purpose or restricted) and consider that a level free reserves equivalent to six months' management

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TRUSTEES' REPORT

For the year ended 31 March 2020

and administration costs to be sufficient to ensure that the Charity could continue to meet the needs of beneficiaries and stakeholders in the event of unexpected, substantial adverse financial circumstances.

Unrestricted reserves standing at £141,484 represent a little more than eight months of 2020/21 budgeted management and administration expenditure, excluding costs of delivering conferences, training and other events, and this level is therefore in line with the policy.

Investment Policy

The aim of the Investment Policy is to protect the capital value of funds held and, ideally, allow them to be inflation proofed over the long-term. Given the value of funds held and the need to meet short and medium-term requirements, in an environment of low risk-free investment returns, funds are held in an interest-bearing bank deposit account. All income from investments is used for furthering the charitable objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution of the Charity and the nature of the Governing Document

The Charity is a company limited by guarantee (registered number 6134823) and is governed by its Memorandum and Articles of Association (adopted 18 May 2007, revised 7 February 2013). The Charity is registered with the Charity Commission (registered number 1118542) and does not have share capital, cannot pay dividends and must utilise all its funds to further its stated charitable objectives.

Recruitment and Appointment of Trustees

The appointment of the Board of Trustees is governed by the Charity's constitution. Elected trustees are drawn by nomination from the Membership, with a voting process for eligible Members where there are more candidates than available posts. Elected trustees serve for a term of three years ending on the third AGM following election. The Board also has the option to co-opt a further four trustees by skill set to complement the elected board. Co-opted trustees serve for terms of one year.

Those who served during the year were:

James Dickinson	(Chair)	Resigned as an Elected Member and Co-opted by the Board November 2019
Abigail D'Amore		Resigned as a Co-opted member November 2019
Yogesh Dattani		Elected member
Martin Fautley		Co-opted member
Maureen Hanke		Elected member
David Little	(Treasurer)	Resigned as an Elected Member and Co-opted by the Board November 2019
Peter Smalley		Elected member
Kerry Watson		Elected member
Peter Bolton		Elected November 2019
Jennifer Gilbert		Elected November 2019

Induction and Training of New Trustees

All new Trustees attend an induction Trustee Board Meeting where their roles are fully explained. They receive regular information about trustee training and, in the view of the Trustees, have enough knowledge of their specific field to understand the nature of the Charity and fully comply with the Charity's current views of its progression. Trustees may claim for reasonable expenses (as determined by an agreed policy) incurred in undertaking the Charity's business, but they receive no remuneration or other financial benefit.

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Organisational Structure and Management

According to the Charity's constitution, the Board of Trustees must hold at least three meetings per year to take decisions about the strategic direction and running of the Charity, as guided by the Chief Executive.

Strategic and operational delivery is undertaken by the Chief Executive. Additional, specialist support is brought in by way of a number of freelance contractors and suppliers (including IT and finance).

Equality of Opportunity

Music Mark is committed to a policy of equal opportunities for all employees and to ensuring within the framework of the law that its workplaces are free from unlawful or unfair discrimination. The principles of equality are embedded within the Music Mark ethos and are consistently adhered to in all activity including recruitment (Board and staff), planning and delivering events and services, marketing and communications and within programme development.

Risk management

The Trustees and the Chief Executive pay due care and attention to risk management and it is a standing agenda item at all Board Meetings. The Chief Executive, on behalf of the Trustees, maintains an ongoing 'risk matrix' covering all areas of reputation, operation, delivery and finances.

The Chief Executive is tasked to alert Trustees to new or increased risks identified in any category so that mitigating actions can be agreed and implemented as appropriate. Risk assessment of all new activities is fully undertaken by way of Trustee discussions and, where necessary, expert advice is sought and followed.

The principal risks faced by the Charity, and the actions to mitigate these risks, are considered to be:

<i>Risk</i>	<i>Mitigation</i>
Degree of dependence on Music Service and lead organisation of Music Education Hub (MEH) membership income.	Continued review and development of Membership benefits alongside the introduction of new membership categories, diversifying of income streams to include grants, partnerships and sponsorship.
Membership dissatisfaction with support services provided.	Understanding by the staff team as to what constitutes success for a membership organisation. Clarity of commitment to purpose, analysis and feedback and to action. Regular regional consultation and networking events for Members to ensure understanding of the value of membership.
Loss of key staff.	Review of remuneration packages, roles and responsibilities and staff development opportunities.
Elected trustee body lacking in all relevant skills.	Co-option of Trustees with desired knowledge areas or skill-sets to supplement those of elected Trustees.
COVID-19 Impact – income loss (ie Membership fees and/or event cancellation)	Regular consultation with the Membership, and work with partners such as Arts Council England, to ensure that services provided meet their needs during the pandemic and that events are relevant and affordable. Consider alternative platforms for events – such as the Annual Conference – to mitigate risk of cancellation due to restricted movement.

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Related Parties

None of the current Trustees have any beneficial interest in any contract with the Charity. Seven of the Trustees who served during the year were employed during the year by Music Services that paid annual Membership fees. Two of the Trustees are individual Members of Music Mark.

In carrying out its objectives the Charity works in partnership with other organisations. None of these organisations is a related party within the terms of the SORP.

Funds held on behalf of others

In the ordinary course of business, Music Mark holds and administers funds, from time to time, on behalf of individual or groups of Music Service Members. Funds are held within Music Mark's bank accounts but are accounted for separately (see Note 17). Disbursement of these funds is made on written agreement from the fund holder(s).

PLANS FOR THE FUTURE

In 2020/21 Music Mark will continue to position itself as the provider of support for the organisations and individuals who work as part of Music Education Hubs in England, as well as developing stronger links and partnerships with Music Services and other music education providers across the UK. Additional training and event activity will be developed and will take place online to enhance access and in light of restrictions imposed as part of the UK's response to the current COVID-19 pandemic. The Music Mark Annual Conference will also be run as an online event, with the planned face-to-face event postponed until December 2021. Members' meetings will continue to offer the opportunity to network at regional and national levels.

Objectives for 2020/21

During the next year the key objective for Music Mark will be to support its membership to weather the impact of the COVID-19 Pandemic, including lobbying for the ongoing support of Music Education at a time when the British Government is continuing to review budgets and projects.

The Board of Trustees and the Chief Executive have agreed upon the following specific activities for the forthcoming year in line with the organisation's charitable objectives:

- To review and simplify the Membership structure to engage with a wider range of music education providers across the UK
- To provide professional development opportunities for the Membership and wider sector, including regular webinars
- To run Member/sector events such as a Summer Summit (June 2020), a Spring Summit (March 2021) and the Annual Conference (November 2020)
- Continue to develop and promote resources as a Music Subject Association to support schools, and champion their work in music education through the Music Mark Schools programme
- Develop stronger links with music education providers across the four UK nations
- Be a key voice in the development of the English 'Refreshed' National Plan for Music Education as it is developed and published and champion the need for realistic funding for Music Education Hubs
- Review and strengthen the governance of the charity

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

- Identify ways to become more financially resilient through stronger partnerships such as with Arts Council England.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The UK Association for Music Education – Music Mark for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are 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.

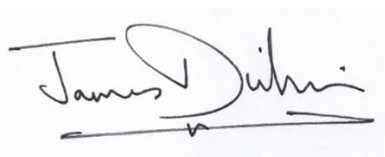
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

INDEPENDENT EXAMINATION

For the year ended 31 March 2020 the Charity qualifies for an independent examination of its financial statements.

Approval

Approved by the Trustees on 9 September 2020 and signed on their behalf by



James Dickinson
Chair of Trustees

REPORT OF THE INDEPENDENT EXAMINER TO THE MEMBERS OF THE UK ASSOCIATION FOR MUSIC EDUCATION – MUSIC MARK

Independent examiner's report to the trustees of Music Mark

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



James Cross
(FCA, ICAEW)
For and on behalf of Moore Kingston Smith LLP
Chartered Accountants

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 22 October 2020

The UK Association for Music Education – Music Mark
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND
EXPENDITURE ACCOUNT)
For the year ended 31 March 2020

	<i>Note</i>	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Income from:							
Donations and legacies	2	3,010	4,627	7,637	4,380	13,626	18,006
Charitable activities	3	279,292	17,589	296,881	289,878	16,466	306,344
Other trading activities	4	42,310	-	42,310	39,135	-	39,135
Investments	5	395	-	395	183	-	183
Total income		<u>325,007</u>	<u>22,216</u>	<u>347,223</u>	<u>333,576</u>	<u>30,092</u>	<u>363,668</u>
Expenditure on:							
Raising funds	6	7,484	-	7,484	8,798	-	8,798
Charitable activities	7	280,431	26,518	306,949	298,916	25,883	324,799
Other	8	7,894	-	7,894	6,826	-	6,826
Total expenditure		<u>295,809</u>	<u>26,518</u>	<u>322,327</u>	<u>314,540</u>	<u>25,883</u>	<u>340,423</u>
Net income/(expenditure)		29,198	(4,302)	24,896	19,036	4,209	23,245
Transfers between funds		-	-	-	-	-	-
Net movement in funds		<u>29,198</u>	<u>(4,302)</u>	<u>24,896</u>	<u>19,036</u>	<u>4,209</u>	<u>23,245</u>
Reconciliation of funds:							
Total funds brought forward		<u>112,286</u>	<u>13,916</u>	<u>126,202</u>	<u>93,250</u>	<u>9,707</u>	<u>102,957</u>
Total funds carried forward		<u><u>141,484</u></u>	<u><u>9,614</u></u>	<u><u>151,098</u></u>	<u><u>112,286</u></u>	<u><u>13,916</u></u>	<u><u>126,202</u></u>

All activities derive from continuing operations.

A Statement of Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The notes on pages 14 to 26 form part of these financial statements

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

	<i>Note</i>	Total funds 31 March 2020		Total funds 31 March 2019	
		£	£	£	£
Current assets:					
Debtors	15	57,842		79,877	
Cash at bank and in hand	16	242,627		208,124	
Total current assets		300,469		288,001	
Liabilities:					
Creditors: amounts falling due within one year	20	(149,371)		(161,799)	
Net current assets			151,098		126,202
Total net assets			<u>151,098</u>		<u>126,202</u>
The funds of the charity:	21				
Unrestricted funds			141,484		112,286
Restricted income funds			9,614		13,916
Total charity funds			<u>151,098</u>		<u>126,202</u>

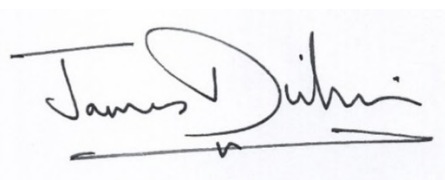
For the year ended 31 March 2020 the charity was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect accounting records and for the preparation of the accounts.

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

The financial statements were approved by the Trustees and authorised for issue on 9th September 2020 and were signed on their behalf by:



.....
James Dickinson
Chair



.....
David Little
Trustee and Honorary Treasurer

Registered Company Number 6134823

The UK Association for Music Education – Music Mark

CASH FLOW STATEMENT

For the year ended as at 31 March 2020

	<i>Note</i>	Total funds 2020 £	Total funds 2019 £
Cash flows from operating activities:			
Net cash provided by operating activities	22	34,108	90,402
Cash flows from investing activities:			
Dividends, interest and rents from investments		395	183
Purchase of property, plant and equipment		-	-
Net cash provided by investing activities		395	183
Cash flows from financing activities:			
Change in cash and cash equivalents in the reporting period	23	34,503	90,585
Cash and cash equivalents at the beginning of the reporting period		208,124	117,539
Cash and cash equivalents at the end of the reporting period		<u>242,627</u>	<u>208,124</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

1 ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTIONS

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and, as a public benefit entity, also with the requirements of the Statement of Recommended Practice Accounting and Reporting by Charities issued 2014 under Financial Reporting Standard (FRS) 102.

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

Monetary amounts in these financial statements are rounded to the nearest pound.

1.2 GOING CONCERN

The financial statements have been prepared on a going concern basis.

Having carried out detailed reviews in light of the current pandemic relating to COVID-19 the reviews indicated by scaling back some costs and developing new partnerships, the charity will remain solvent. Trustees are satisfied that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

1.3 ACCOUNTING ESTIMATES

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.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Assets with a cost in excess of £500 that are intended to be of on-going use to Music Mark in carrying out its activities are capitalised as fixed assets.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following basis:

Office Equipment - 3 years on a straight-line basis

1.5 INCOME

All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Some Music Service and corporate members' membership fees relate to the twelve months following joining Music Mark. These fees are credited to income pro rata in accordance with the financial year.

Income received in advance of the period or the event to which it relates is shown as deferred income at the balance sheet date.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

1.6 EXPENDITURE

All expenditure is accounted for on an accruals basis as the liability is incurred and has been classified under headings that aggregate all costs related to each activity.

1.7 VALUE ADDED TAX

The Charity is registered for Value Added Tax and charges and remits and recovers tax as appropriate on its income and expenditure.

1.8 TAXATION

The Charity is exempt from tax on income and gains falling within sections 472-489 of the Corporation Tax Act 2010 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

1.9 FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the Trustees' discretion.

Restricted funds can only be used for prescribed purposes, within the objects of the Charity, when specified by the donor or when funds are raised for particular identified purposes. Further explanation of the nature of each fund is included in the notes to the financial statements.

1.10 STAFF AND SUPPORT COSTS

Staff costs are attributed to activities based on estimates of time spent by each member of staff on each activity. The costs of support activities, being General management and Governance as detailed in Notes 9a and 9b, are allocated to the expenditure headings that appear on the Statement of Financial Activities in proportion to the directly attributed staff costs, subject to any specific allowances specified in the terms of the use of restricted funds.

1.11 FINANCIAL INSTRUMENTS

The Charity has elected to apply the provisions of Section 11 'Basic Financial instruments' of FRS102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, including trade and other payables that are classified as debt, are initially recognised at the transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities then, in which case, trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

1.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less.

2 INCOME - DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Arts Council England (ACE)	-	4,627	4,627	-	13,626	13,626
Other	3,010	-	3,010	4,380	-	4,380
Total donations and legacies	3,010	4,627	7,637	4,380	13,626	18,006

In 2019/20 ACE grants were for funding the delivery of Leadership Development Programme management training activities. Other income consists of donations from Music Net East and West Midlands Regional members.

3 INCOME - CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Membership services:						
Membership subscriptions	142,361	-	142,361	137,414	-	137,414
Annual conference fees	103,097	-	103,097	84,869	-	84,869
Other conference fees	234	17,589	17,823	21,333	16,466	37,799
	245,692	17,589	263,281	243,616	16,466	260,082
Education services:						
Training course fees	20,753	-	20,753	46,262	-	46,262
Services	12,847	-	12,847	-	-	-
Total charitable activities	279,292	17,589	296,881	289,878	16,466	306,344

Services income contains service fees for LDP 4, expenses incurred by Music Mark and billed on to recover costs incurred.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

4 INCOME - OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Advertising	28,560	-	28,560	30,375	-	30,375
Sponsorship	13,750	-	13,750	8,750	-	8,750
Publications	-	-	-	10	-	10
Total other trading activities	42,310	-	42,310	39,135	-	39,135

Advertising income relates to the placement of job adverts on behalf of members on the Music Mark website. Sponsorship income is received for promotional services provided for the Associated Board of the Royal Schools of Music (ABRSM).

5 INCOME – INVESTMENTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Bank interest	395	-	395	183	-	183
Total investment income	395	-	395	183	-	183

6 EXPENDITURE - RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Staff costs (direct)	3,622	-	3,622	3,613	-	3,613
Support and indirect staff costs	3,862	-	3,862	5,185	-	5,185
Total Raising funds	7,484	-	7,484	8,798	-	8,798

Costs of raising funds represents staff time, associated support costs for identifying and applying for grant income and developing other income streams.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

7 EXPENDITURE - CHARITABLE ACTIVITIES

			Total			Total
	Unrestricted	Restricted	Funds	Unrestricted	Restricted	Funds
	Funds	Funds	2020	Funds	Funds	2019
	£	£	£	£	£	£
Membership support:						
Technical support and other	11,265	-	11,265	-	-	-
Staff costs (direct)	73,790	-	73,790	68,071	-	68,071
Support and indirect staff costs	78,677	-	78,677	97,676	-	97,676
Annual and other conferences:						
Hotel and venue hire	40,766	11,456	52,222	53,324	10,256	63,580
Printing	-	-	-	3,184	-	3,184
Technical support and other	24,149	541	24,690	11,914	76	11,990
Freelance and consultants	6,782	4,993	11,775	6,150	925	7,075
Staff costs (direct)	7,363	3,900	11,263	8,621	800	9,421
Support and indirect staff costs	7,851	-	7,851	12,371	1,200	13,571
Training and education:						
Venue hire	4,411	3,643	8,054	5,985	9,980	15,965
Freelance and consultants	9,740	1,406	11,146	21,499	2,646	24,145
Other costs	2,934	579	3,513	163	-	163
Staff costs (direct)	6,148	-	6,148	4,082	-	4,082
Support and indirect staff costs	6,555	-	6,555	5,876	-	5,876
Total Charitable activities	280,431	26,518	306,949	298,916	25,883	324,799

Membership support included advocacy, development of resources, and maintaining the website and media presence on behalf of Music Services and other members. In 2019/20, Training and Education services comprised the part-ACE funded Leadership Development Programmes. Technical support costs include costs that can be directly allocated to membership support activities, in the main these are; travel, legal and professional, printing, meeting room hire, research, attending conference & postage.

Annual and other conferences include the annual conference in November 2019 and, under Restricted Funds, conferences held for North West and South Yorkshire based groups of members.

The increased cost for technical support and other is primarily due the Annual Conference event services cost for filming conference, new marketing cost for adverting brochures and increased travel costs, these are allocated per project where possible.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

8 OTHER EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Other trading activities:						
Staff costs (direct)	3,821	-	3,821	2,804	-	2,804
Support and indirect staff costs	4,074	-	4,074	4,022	-	4,022
Total	7,895	-	7,895	6,826	-	6,826

9a SUPPORT COSTS – General management

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
General management:						
IT & general office costs	10,804	-	10,804	15,400	-	15,400
Office rent	13,707	-	13,707	13,949	-	13,949
Insurance	209	-	209	548	-	548
Travel and subsistence	818	-	818	8,022	-	8,022
Printing and advertising	1,561	-	1,561	3,232	-	3,232
Accountancy services	13,035	-	13,035	31,113	-	31,113
Staff costs	35,719	-	35,719	32,113	-	32,113
Staff training	75	-	75	1,025	-	1,025
Bad debts & miscellaneous	604	-	604	740	-	740
Total General management	76,532	-	76,532	106,142	-	106,142

General management costs include IT, accommodation, other general office costs and staff costs for the day-to-day management of the charity.

9b SUPPORT COSTS – Governance

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Governance:						
Staff costs	14,487	-	14,487	14,453	-	14,453
Accounts preparation	600	-	600	1,100	-	1,100
Independent examination	3,399	-	3,399	3,265	-	3,265
Travel and meeting costs	1,947	-	1,947	1,371	-	1,371
Strategic development	4,053	-	4,053	-	-	-
Total Governance costs	24,486	-	24,486	20,189	-	20,189
Total support costs	101,018	-	101,018	126,331	-	126,331

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

Governance costs include staff costs for supporting the Trustee meetings and for the strategic planning for the charity, the costs of Trustee meetings and Trustees' expenses reimbursed, and the preparation of statutory accounts and independent examination fees.

10 ALLOCATION OF SUPPORT COSTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Raising funds	3,862	-	3,862	5,185	-	5,185
Charitable activities:						
Membership support	78,677	-	78,677	97,676	-	97,676
Annual and other conferences	3,951	3,900	7,851	12,371	1,200	13,571
Education services	6,555	-	6,555	5,876	-	5,876
Other expenditure	4,074	-	4,074	4,023	-	4,023
Total allocated support costs	<u>97,119</u>	<u>3,900</u>	<u>101,019</u>	<u>125,131</u>	<u>1,200</u>	<u>126,331</u>

Support costs are allocated to other activities in proportion to direct staff costs incurred by those activities.

11 EMPLOYEES

	Year ended 31 March 2020 No.	Year ended 31 March 2019 No.
The average number of employees during the year was:		
Chief Executive	1.0	1.0
Office and administrative support	2.8	2.5
	<u>3.8</u>	<u>3.5</u>
The average number of full-time equivalent employees during the year was:	<u>3.8</u>	<u>3.3</u>

12a STAFF COSTS

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Staff costs for the above employees:		
Wages and salaries	134,884	122,368
National insurance	11,078	9,795
Pension contributions	2,890	2,394
	<u>148,852</u>	<u>134,557</u>

Pension contributions relate to payments made for members of staff in the NEST auto-enrolment scheme.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

The number of higher paid employees was as follows:

	Year ended 31 March 2020 Nos.	Year ended 31 March 2019 Nos.
Total emoluments (salary)		
£60,000 to £69,999	1	1

The Trustees consider that the Chief Executive represents the key management personnel for the Charity. The total remuneration (salary, Employer's National insurance costs and pension contributions) for the Chief Executive for the year was £72,437.

12b ALLOCATION OF STAFF COSTS BY ACTIVITY

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Activities:						
Raising funds	3,622	-	3,622	3,613	-	3,613
Membership support	73,790	-	73,790	68,071	-	68,071
Annual and other conferences	7,363	3,900	11,263	8,621	800	9,421
Education services	6,148	-	6,148	4,082	-	4,082
Other trading activities	3,821	-	3,821	2,804	-	2,804
Support costs:						
General management	35,719	-	35,719	32,113	-	32,113
Governance	14,487	-	14,487	14,453	-	14,453
Total staff costs	<u>144,950</u>	<u>3,900</u>	<u>148,850</u>	<u>133,757</u>	<u>800</u>	<u>134,557</u>

Staff costs have been allocated to activities, including to support costs, based on the estimated time spent.

13 NET INCOME

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Net income is stated after charging:		
Independent examiner's fee: - current year	3,500	3,500
Independent examiner's fee: - prior year	(101)	(235)
	<u> </u>	<u> </u>

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

14 TRUSTEES' REMUNERATION AND BENEFITS

During the year no payments were made to Trustees other than the reimbursement of expenses for attending meetings and conferences.

TRUSTEES' EXPENSES

Expenses totalling £632 were paid to 4 Trustees in the year (2019 - £1,044 to 4 Trustees). These were for the reimbursement of travel costs to meetings and conferences.

15 DEBTORS

	Year ended 31 March 2020	Year ended 31 March 2019
	£	£
Trade debtors	39,620	77,482
Other debtors:		
Supplier refunds due	7,492	-
Train ticket loan	1,827	-
PMLL advance	1,000	-
Undeposited funds	60	-
Prepayments	7,843	2,395
	<u>57,842</u>	<u>79,877</u>

Other debtors include amount due to be refunded from suppliers for cancelled venue hire due to COVID-19, staff train ticket loan remaining unpaid at year end, this is deducted monthly via payroll.

PMLL is advance in set up costs for services due back to Music Mark, undeposited funds are sales payment taken via online app, unrepresented as at year end date.

Prepayments represent deposits paid originally for venue hire for the 2020 Annual Conference; now held for the year 2021, insurance, cost of printed books for LDP 8 training and room bookings for future training.

16 CASH AT BANK AND AT HAND

	Year ended 31 March 2020	Year ended 31 March 2019
	£	£
Bank – current accounts	500	545
Bank – deposit accounts	242,127	207,579
	<u>242,627</u>	<u>208,124</u>

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

17	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		Year ended	Year ended
		31 March	31 March
		2020	2019
		£	£
	Other taxes and social security costs	13,478	14,840
	Other creditors (see below)	50,803	45,139
	Accruals & deferred income (see Note 19)	85,090	101,820
		<u>149,371</u>	<u>161,799</u>
	Other creditors	Year	Year
		ended	ended
		31 March	31 March
		2020	2019
		£	£
	Monies held for regional groups of Music Service members		
	North West	1,557	2,109
	West Midlands	31,177	35,688
	Eastern	6,000	6,000
	North East	4,326	342
	Yorkshire & Humberside	-	1,000
		<u>43,060</u>	<u>45,139</u>
	Pensions liability	593	-
	Provision for credit notes	7,150	-
		<u>7,743</u>	<u>-</u>
		<u><u>50,803</u></u>	<u><u>45,139</u></u>

Provision for credit notes represents refunds due for Spring Summit event that did not take place due to COVID-19.

18 FINANCIAL ASSETS AND LIABILITIES

The financial statements include the following in respect of items held at fair value at 31 March:

	2020	2019
	£	£
Financial assets measured at fair value through profit or loss:		
Debtors	<u>57,844</u>	<u>79,877</u>
Financial liabilities measured at fair value through profit or loss:		
Creditors VAT liability	13,478	14,840
Other creditors	50,803	45,139
Accruals and trade creditors	11,249	14,139
	<u>75,530</u>	<u>74,118</u>

At 31 March 2020 no financial assets or liabilities measured at amortised cost (2019:none)

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

19 ACCRUALS AND DEFERRED INCOME

	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Trade accruals	11,249	14,139
Accruals	11,249	14,139
Deferred income:		
Annual subscriptions	51,387	65,756
Management training fees	11,954	13,675
Sponsorship and other funding	10,500	8,250
Total Deferred income	73,841	87,681
	<u>85,090</u>	<u>101,820</u>

Deferred income includes annual subscriptions paid by Music Service members for 2020/21 that were invoiced in advance by request before 31 March 2020 together with the relevant proportion of corporate partner subscriptions that were paid for periods extending beyond 31 March 2020 and, in addition ABRSM & Music Net East sponsorship for 2020/21 training events.

Deferred Income	Year ended 31 March 2020 £
Deferred income at 1 April 2019	87,681
Income deferred in the year	73,841
Amounts released from previous years	(87,681)
Deferred income at 31 March 2020	<u>73,841</u>

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Fixed assets	-	-	-	-	-	-
Current assets	290,855	9,614	300,469	274,085	13,916	288,001
Current liabilities	(149,371)	-	(149,371)	(161,799)	-	(161,799)
Total funds	<u>141,484</u>	<u>9,614</u>	<u>151,098</u>	<u>112,286</u>	<u>13,916</u>	<u>126,202</u>

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

21 MOVEMENTS IN FUNDS

	At 1 April 2019 £	Income £	Expenditure £	Transfers Between Funds £	At 31 March 2020 £
Unrestricted funds:					
General fund	112,286	325,007	(295,809)	-	141,484
Restricted income funds:					
Arts Council England LDP	1,000	4,627	(5,627)	-	-
North West Conference	12,916	15,525	(19,077)	-	9,364
South Yorks. Conference	-	2,064	(1,814)	-	250
	<u>13,916</u>	<u>22,216</u>	<u>(26,518)</u>	<u>-</u>	<u>9,614</u>
	<u>126,202</u>	<u>347,223</u>	<u>(322,327)</u>	<u>-</u>	<u>151,098</u>
(continued)					

21 MOVEMENTS IN FUNDS (continued)

	At 1 April 2018 £	Income £	Expenditure £	Transfers Between Funds £	At 31 March 2019 £
Unrestricted funds:					
General fund	93,250	333,576	(314,540)	-	112,286
Restricted income funds:					
Arts Council England LDP	-	13,626	(12,626)	-	1,000
North West Conference	9,707	16,466	(13,257)	-	12,916
	<u>9,707</u>	<u>30,092</u>	<u>(25,883)</u>	<u>-</u>	<u>13,916</u>
	<u>102,957</u>	<u>363,668</u>	<u>(340,423)</u>	<u>-</u>	<u>126,202</u>

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended as at 31 March 2020

22 RECONCILIATION OF NET INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES

	Year ended 31 March 2020	Year ended 31 March 2019
	£	£
Net income	24,896	23,245
Interest received	(395)	(183)
Decrease in debtors and prepayments	22,035	21,591
Decrease in creditors, accruals and deferred income	(12,428)	45,749
	<hr/>	<hr/>
Net cash flow from operating activities	<u>34,108</u>	<u>90,402</u>

23 NET MOVEMENT IN CASH FOR THE YEAR

	At 1 April 2019	Cash flow	At 31 March 2020
	£	£	£
Cash at bank and in hand	<u>208,124</u>	<u>34,503</u>	<u>242,627</u>

24 RELATED PARTY TRANSACTIONS

Seven trustees who served during the year; James Dickinson, Yogesh Dattani, David Little, Peter Smalley, Kerry Watson, Peter Bolton, and Jennifer Gilbert were employed during the year by Music Services that paid membership fees, and for conference and training attendance. Maureen Hanke and Martin Fautley were individual paid-up members of Music Mark during the year. These fees were not individually of material value to either of the parties or to the Charity and were at standard, advertised 'arms-length' rates.