

The UK Association for Music Education – Music Mark

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 March 2021

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 Office	Southgate Chambers 37-39 Southgate Street Winchester SO23 9EH
Board of Trustees	James Dickinson (Chair) Yogesh Dattani Martin Fautley Jan Ford – Elected November 2020 Maureen Hanke – Retired November 2020 David Little (Treasurer) Peter Smalley – Re-elected November 2020 Kerry Watson - Resigned April 2021 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 2021

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 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities”, to be compliant with Financial Reporting Standard (FRS) 102.

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 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.

The UK Association for Music Education – Music Mark

TRUSTEES' REPORT

For the year ended 31 March 2021

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
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 (ACE)
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

Despite the challenges presented by the COVID-19 Pandemic, 2020/21 has been a further year of growth for Music Mark.

Membership has increased and there has been significant increase in engagement in the charity's activities as it took much of its offer online.

The 2020 Annual Conference moved online and yet continued the steady increase in delegates observed over the past few years. It had a focus on The Music in Music Education, and, with support from some of the Corporate Partners, the event provided a day of valuable live training and discussion as well as an online offer of recorded sessions and a virtual exhibition, which extended the length of the conference to over 6 weeks. Feedback from this re-imagined conference was very positive and although there were many who were hoping for a face-to-face conference in 2021, there was a clear indication that elements of the online event were welcome and would be valuable to consider ongoing.

The partnership with Arts Council England (ACE) continued in 2020/21, with enhanced grant funding which enabled Music Mark to develop and deliver both resources and further training programmes and provide increased support for its (English) Membership during a very challenging year.

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In September 2020 the Communication and Marketing Manager, Fi Simpson, went on maternity leave and the CEO promoted the Finance and Administration Officer to Communications and Marketing Officer to cover some of the role with a consultant, Carmel Cardona, brought in to provide strategic support. Rachel Shirley was engaged on a short term freelance contract to cover some administrative tasks. In addition a consultant, Gary Griffiths, was contracted to provide vital COVID-19 support to the membership, funded by the ACE grant in 2020/21.

The financial year closed with confirmation of significant ongoing funding from April 2021 to October 2022 from ACE for Music Mark to continue to support Music Education Hubs with managing the challenges presented by the COVID-19 Pandemic. This ongoing funding has enabled the charity to continue to engage some key consultants to provide that support as well as to increase the staff team with Rachel Shirley being appointed on a 1-year fixed term contract as 0.8fte Finance and Administration Officer from April 2021.

Going concern

The financial statements have been prepared under the going concern basis. The Board agreed a budget for 2021/22 which reflects the possibility of some reductions in membership fees and advertising as the COVID-19 Pandemic continues to have an effect on the sector, but continues to develop the Charities role as a key part of the support for the sector, especially following the confirmation in March 2021 of funding from ACE which will include financial support for the charities core costs.

FINANCIAL REVIEW

Music Mark recorded an overall surplus of income over expenditure for the year of £342,879. Accounting rules under the Statement of Recommended Practice (SORP) require that grant income be recognised in the accounts when certain criteria are met; being entitled, probable and measurable. This means that in these accounts the grant from ACE for the period March 2021 to October 2022 has to be recognised in full, even though the majority of the expenditure will be incurred over the next two years (2021/22 and 2022/23).

Restricted income comprised of grants received and yet to be received from ACE, for funding towards three strands of a Hub Support programme, underpinning hubs, hub workforce development and the innovation pot.

Unrestricted income decreased this year compared to last by £64,268 to £260,739. This decrease was partly due to lower advertising income, replacing the ticketed Spring Summit to an online webinar-based event due to COVID-19 and an online conference meaning lower ticket prices.

Expenditure of £74,025 against restricted funds, represented ACE grants money used towards the Hub Support Programme, together with the costs of £2,975 for Underpinning Hubs.

Expenditure from unrestricted funding decreased by £74,596 to £221,213. This decrease was primarily due to the annual conference transferring purely to online attendance which meant that venue hire and associated costs were greatly reduced.

Following the surplus recorded during the year, unrestricted reserves increased from £141,484 to £181,010 Restricted funds carried forward of £312,967 represent unspent funds remaining from the North West members' conferences 2017-2019 of £9,364, South Yorkshire Conference £250 with the remainder being ACE grants for future planned support projects.

Cash balances increased by £63,768 to £306,395, significantly helped by a number of Music Services applying for 2021/22 memberships in advance of the new year. In addition, a reduction in spending and good credit control processes.

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For the year ended 31 March 2021

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 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 £181,010 represent a little more than 11 months of 2021/22 budgeted management and administration expenditure, excluding costs of delivering conferences, training and other events. 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 generally 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 which can be renewed at the discretion of the board.

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Those who served during the year were:

James Dickinson	(Chair)	Co-opted member
Peter Bolton		Elected Member
Yogesh Dattani		Elected member (remaining on the Board for a 4 th year as only two Trustees were required to step down and to ensure Board stability during the COVID-19 pandemic)
Martin Fautley		Co-opted member
Jan Ford		Elected Member appointed November 2021
Jennifer Gilbert		Elected Member
Maureen Hanke		Elected Member – stood down following three years of service at the AGM November 2021
David Little	(Treasurer)	Co-opted member
Peter Smalley		Elected member – stood for re-election following three years of service and reappointed at the AGM in November 2021
Kerry Watson		Stood down in April 2021

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 the work of the charity, where appropriate, signposted to relevant 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.

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 conference management, 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.

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For the year ended 31 March 2021

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 messaging that membership is available to all those music education working in the sector across the UK and the 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 of feedback and to action. Regular regional and peer-group consultation and networking events for Members to ensure understanding of the value of membership. An annual membership survey.
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 (i.e. Membership fees and/or event cancellation)	Regular ongoing consultation with the Membership, and work with partners such as ACE, to ensure that services provided meet their needs following a year of impact from the COVID-19 Pandemic and that events are relevant, affordable and accessible through the use of online platforms.

Related Parties

None of the current Trustees have any beneficial interest in any contract with the Charity. Eight of the Trustees who served during the year were employed during the year by Music Services or Music Education Organisations 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.

The UK Association for Music Education – Music Mark

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For the year ended 31 March 2021

Funds held on behalf of others

In the ordinary course of business, Music Mark holds and administers funds, from time to time, on behalf groups of Music Education Organisation 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 2021/22 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, continue to expand its support of Music Services in Wales, Northern Ireland and the Crown Dependencies of Guernsey, Jersey and the Isle of Man, as well as looking to further strengthen its links and partnerships with Music Services and other music education providers in Scotland.

Having established a valued programme of online training and events for its membership and the wider sector this will continue, adapting to the needs of, and based on feedback from, the membership. The Music Mark Annual Conference will run as a hybrid event providing access to some elements online as well as providing a face-to-face event in Brighton (unless the current COVID-19 Roadmap to Reopening is restricted due to significant increases in cases or concerns regarding new variants). Members' meetings will continue to offer the opportunity to network at regional and national levels.

Objectives for 2021/22

During next year the key objective for Music Mark will be to support its membership to manage the ongoing the impact of the COVID-19 Pandemic, including advocating at a national, regional and local level for the importance of, and ongoing support for, Music Education.

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 identify ways to continue to listen to the voice of the membership to ensure that Music Mark is working to support, connect and influence on their behalf
- To provide professional development opportunities for the Membership and wider sector, including regular webinars, peer-to-peer networking and topic-based meetings
- To run Member/sector events such as Big Meets for English Music Education Hubs, a Spring Summit (March 2022) and the Annual Conference (November 2021)
- To deliver a relevant programme of support to Music Education Hub Partners through the grant received from ACE
- Continue to develop and promote resources and consider providing training for classroom teachers as a Music Subject Association, and champion the work of schools in providing music education through the Music Mark Schools programme
- Maintain the strong links Music Mark has with music education providers across the four UK Nations

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- 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
- Identify further ways to become more financially resilient through stronger partnerships such as with ACE

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 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.

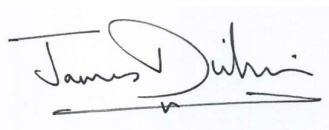
INDEPENDENT EXAMINATION

For the year ended 31 March 2021 the Charity qualifies for an independent examination of its financial statements.

Approval

Approved by the Trustees on 7th October 2021 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 2021.

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: 8 October 2021

The UK Association for Music Education – Music Mark
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND
EXPENDITURE ACCOUNT)

For the year ended 31 March 2021

		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	<i>Note</i>	Funds	Funds	Funds	Funds	Funds	Funds
		£	£	2021	£	£	2020
				£			£
Income from:							
Donations and legacies	2	15,376	380,353	395,729	3,010	4,627	7,637
Charitable activities	3	217,880	-	217,880	279,292	17,589	296,881
Other trading activities	4	27,359	-	27,359	42,310	-	42,310
Investments	5	124	-	124	395	-	395
Total income		260,739	380,353	641,092	325,007	22,216	347,223
Expenditure on:							
Raising funds	6	7,959		7,959	7,484	-	7,484
Charitable activities	7	205,687	77,000	282,687	280,431	26,518	306,949
Other	8	7,567		7,567	7,894	-	7,894
Total expenditure		221,213	77,000	298,213	295,809	26,518	322,327
Net income/(expenditure)		39,526	303,353	342,879	29,198	(4,302)	24,896
Net movement in funds		39,526	303,353	342,879	29,198	(4,302)	24,896
Reconciliation of funds:							
Total funds brought forward		141,484	9,614	151,098	112,286	13,916	126,202
Total funds carried forward		181,010	312,967	493,977	141,484	9,614	151,098

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 15 to 25 form part of these financial statements

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BALANCE SHEET as at 31 March 2021

	<i>Note</i>	£	Total funds 31-Mar-21	£	Total funds 31-Mar-20	£
Current assets:						
Debtors	15	349,446		57,842		
Cash at bank and in hand	16	306,395		242,627		
Total current assets		655,841		300,469		
Liabilities:						
Creditors: amounts falling due within one year	17	(161,864)		(149,371)		
Net current assets			493,977		151,098	
Total net assets			<u>493,977</u>		<u>151,098</u>	
The funds of the charity:						
	21					
Unrestricted funds			181,010		141,484	
Restricted income funds			312,967		9,614	
Total charity funds			<u>493,977</u>		<u>151,098</u>	


For the year ended 31 March 2021 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 7th October 2021 and were signed on their behalf by:



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James Dickinson
Chair



.....

David Little
Trustee and Honorary Treasurer

Registered Company Number 6134823

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CASH FLOW STATEMENT

For the year ended 31 March 2021

	<i>Note</i>	Total funds 2021	Total funds 2020
Cash flows from operating activities:			
Net cash provided by operating activities	<i>21</i>	63,644	34,108
Cash flows from investing activities:			
Dividends, interest and rents from investments		124	395
Net cash provided by investing activities		124	395
Cash flows from financing activities:			
Change in cash and cash equivalents in the reporting period	<i>22</i>	63,768	34,503
Cash and cash equivalents at the beginning of the reporting period		242,627	208,124
Cash and cash equivalents at the end of the reporting period		306,395	242,627

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

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 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 regular review of services and provision together with appropriate risk analysis in light of the current pandemic relating to COVID-19 and adapted services and provision accordingly, including taking much of its provision online, the indication is that the charity will remain solvent. Trustees remain satisfied that the charity has sufficient cash flow 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.

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.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

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.

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	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	2021	£	£	2020
			£			£
Arts Council England (ACE)	15,274	380,353	395,627	-	4,627	4,627
Other	102	-	102	3,010	-	3,010
Total donations and legacies	15,376	380,353	395,729	3,010	4,627	7,637

Music Mark had confirmation that they will receive grants from ACE that will be used over the next 2 years. This grant income is recognised in full as it required under the Statement of Recommended Practice. Expenditure of these grants will be recognised as they are incurred.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

3 INCOME - CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£	£	£	£
Membership services:						
Membership subscriptions	44,570	-	44,570	142,361	-	142,361
Annual conference fees	144,975	-	144,975	103,097	-	103,097
Other conference fees	-	-	-	234	17,589	17,823
Education services:						
Training course fees	21,805	-	21,805	20,753	-	20,753
Services	6,530	-	6,530	12,847	-	12,847
Total charitable activities	217,880	-	217,880	279,292	17,589	296,881

4 INCOME - OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£	£	£	£
Advertising	7,200	-	7,200	28,560	-	28,560
Sponsorship	15,159	-	15,159	13,750	-	13,750
Services	5,000	-	5,000	-	-	-
Total other trading activities	27,359	-	27,359	42,310	-	42,310

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).

Services relates to admin support supplied to Printed Music Licensing Ltd (PMLL).

5 INCOME – INVESTMENTS

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£	£	£	£
Bank interest	124	-	124	395	-	395
Total investment income	124	-	124	395	-	395

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

6 EXPENDITURE - RAISING FUNDS

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£	£
Staff costs (direct)	3,665	-	3,665	3,622	-	3,622
Support and indirect staff costs	4,293	-	4,293	3,862	-	3,862
Total Raising funds	7,958	-	7,958	7,484	-	7,484

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

7 EXPENDITURE - CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£	£
Membership support:						
Freelance and consultants	7,833	-	7,833	-	-	-
Technical support and other	3,948	44,117	48,065	11,265	-	11,265
Staff costs (direct)	35,835	32,883	68,718	73,790	-	73,790
Support and indirect staff costs	55,003	-	55,003	78,677	-	78,677
Annual and other conferences:						
Hotel and venue hire	-	-	-	40,766	11,456	52,222
Technical support and other	27,079	-	27,079	24,149	541	24,690
Freelance and consultants	8,250	-	8,250	6,782	4,993	11,775
Staff costs (direct)	7,916	-	7,916	7,363	3,900	11,263
Support and indirect staff costs	9,273	-	9,273	7,851	-	7,851
Training and education:						
Venue hire	-	-	-	4,411	3,643	8,054
Freelance and consultants	1,169	-	1,169	9,740	1,406	11,146
Technical support and other	2,428	-	2,428	2,934	579	3,513
Staff costs (direct)	21,623	-	21,623	6,148	-	6,148
Support and indirect staff costs	25,330	-	25,330	6,555	-	6,555
Total Charitable activities	205,687	77,000	282,687	280,431	26,518	306,949

During 2020/21 membership support costs increased as online support and training via the Hub Support Programme were provided to members of Music Mark as physically attended events were unable to happen. These activities are part-ACE funded and comprise a mix of paid-for and free-to-member support and training. A new membership support cost this year is the freelance and consultants line, for services enabling Music Mark to deliver said events. A new cost in Technical support includes software for online webinars, the remainder is postage and office supplies. Annual and other conferences include the annual conference which was held online, under technical and support the costs are the majority of the audiovisual technician fees & equipment hire for recording the conference, event management, speaker fees, however there are minimal catering and travel fees. Training and Education costs are from CPD sessions held online, this is made up of consultants who ran the sessions and software costs.

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

8 OTHER EXPENDITURE

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	2021	£	£	2020
Other trading activities:						
Technical support and other	1,281	-	1,281	-	-	-
Staff costs (direct)	2,895	-	2,895	3,821	-	3,821
Support and indirect staff costs	3,392	-	3,392	4,074	-	4,074
Total	7,568	-	7,568	7,895	-	7,895

9a SUPPORT COSTS – General management

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	2021	£	£	2020
General management:						
IT & general office costs	9,065	-	9,065	10,804	-	10,804
Office rent	10,431	-	10,431	13,707	-	13,707
Insurance	728	-	728	209	-	209
Consultancy & support fees	10,584	-	10,584	-	-	-
Travel and subsistence	1,788	-	1,788	818	-	818
Printing and advertising	893	-	893	1,561	-	1,561
Accountancy services	7,750	-	7,750	13,035	-	13,035
Staff costs	28,953	-	28,953	35,719	-	35,719
Staff training	572	-	572	75	-	75
Bad debts & miscellaneous	457	-	457	604	-	604
Total General management	71,221	-	71,221	76,532	-	76,532

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	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	2021	£	£	2020
Governance:						
Staff costs	10,995	-	10,995	14,487	-	14,487
Accounts preparation	3,084	-	3,084	600	-	600
Independent examination	4,025	-	4,025	3,399	-	3,399
Travel and meeting costs	-	-	-	1,947	-	1,947
Strategic development	7,966	-	7,966	4,053	-	4,053
Total Governance costs	26,070	-	26,070	24,486	-	24,486
Total support costs	97,291	-	97,291	101,018	-	101,018

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

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

10 ALLOCATION OF SUPPORT COSTS

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
	£	£	2021	£	£	2020
			£			£
Raising funds	4,293	-	4,293	3,862	-	3,862
Charitable activities:						
Membership support	55,003	-	55,003	78,677	-	78,677
Annual and other conferences	9,273	-	9,273	3,951	3,900	7,851
Education services	25,330	-	25,330	6,555	-	6,555
Other expenditure	3,392	-	3,392	4,074	-	4,074
Total allocated support costs	97,291	-	97,291	97,119	3,900	101,019

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

11 EMPLOYEES

	Year ended 31-Mar	Year ended 31-Mar
	2021	2020
	No.	No.
The average number of employees during the year was:		
Chief Executive	1	1
Office and administrative support	3	2.8
	<u>4</u>	<u>3.8</u>
The average number of full-time equivalent employees during the year	<u>4</u>	<u>3.8</u>

12a STAFF COSTS

	Year ended 31-Mar	Year ended 31-Mar
	2021	2020
	£	£
Staff costs for the above employees:		
Wages and salaries	137,421	134,884
National insurance	4,231	11,078
Pension contributions	3,113	2,890
	<u>144,765</u>	<u>148,852</u>

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

The number of higher paid employees was as follows:

	Year ended 31-Mar	Year ended 31-Mar
	2021	2020
	No.	No.
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 £73,301.69 (2020 - £72,437).

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

12b ALLOCATION OF STAFF COSTS BY ACTIVITY

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
			2021			2020
Activities:	£	£	£	£	£	£
Raising funds	3,665	-	3,665	3,622	-	3,622
Membership support	35,835	32,883	68,718	73,790	-	73,790
Annual and other conferences	7,916	-	7,916	7,363	3,900	11,263
Education services	21,623	-	21,623	6,148	-	6,148
Other trading activities	2,895	-	2,895	3,821	-	3,821
Support costs:						
General management	28,953	-	28,953	35,719	-	35,719
Governance	10,995	-	10,995	14,487	-	14,487
Total staff costs	111,882	32,883	144,765	144,950	3,900	148,850

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

13 NET INCOME

	Year ended 31-Mar	Year ended 31-Mar
	2021	2020
	£	£
Net income is stated after charging:		
Independent examiner's fee: - current year	4,025	3,500
Independent examiner's fee: - prior year	<u>(500)</u>	<u>(101)</u>

14 TRUSTEES' REMUNERATION AND BENEFITS

During the year no payments were made to Trustees. (2020 - £632 was paid to 4 Trustees).

15 DEBTORS

	Year ended 31-Mar	Year ended 31-Mar
	2021	2020
	£	£
Trade debtors	26,282	39,620
Other debtors:		
Supplier refunds due	-	7,492
Train ticket loan	-	1,827
PMLL advance	-	1,000
Undeposited funds	-	60
Prepayments	5,874	7,843
Accrued income	317,290	-
	<u>349,446</u>	<u>57,842</u>

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

16 CASH AT BANK AND AT HAND

	Year ended 31-Mar	Year ended 31-Mar
	2021	2020
	£	£
Bank – current accounts	1,647	500
Bank – deposit accounts	304,748	242,127
	<u>306,395</u>	<u>242,627</u>

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 31-Mar	Year ended 31-Mar
	2021	2020
	£	£
Other taxes and social security costs	13,920	13,478
Other creditors (see below)	38,377	50,803
Accruals & deferred income	89,579	84,486
Trade creditors	19,988	604
	<u>161,864</u>	<u>149,371</u>
Other Creditors breakdown		
Monies held for regional groups of music service members		
North west	1,557	1,557
West Midlands	24,694	31,177
Eastern	6,000	6,000
North East	1,426	4,326
	<u>33,677</u>	<u>43,060</u>
PMLL liabilities for licence invoices raised	4,700	-
Pensions liability	-	593
Provision for credit notes	-	7,150
	<u>38,377</u>	<u>50,803</u>

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

18 ACCRUALS AND DEFERRED INCOME

	Year ended 31-Mar 2021	Year ended 31-Mar 2020
	£	£
Trade accruals	17,204	10,645
Trade creditors	19,988	604
Total Accruals and creditors	<u>37,192</u>	<u>11,249</u>
Deferred income:		
Annual subscriptions	62,825	51,387
Training fees	4,550	11,954
Sponsorship and other funding	5,000	10,500
Total Deferred income	<u>72,375</u>	<u>73,841</u>
Totals	<u><u>109,567</u></u>	<u><u>85,090</u></u>

Deferred income includes annual subscriptions paid by Music Service members for 2021/22 that were invoiced in advance by request before 31 March 2021 together with other annual membership options that were paid for periods extending beyond 31 March 2021. Sponsorship is ABRSM for training events in 2021/22 and training fees for CPD ticket income for sessions in 2021/22.

Deferred Income

	Year ended 31-Mar 2021
	£
Deferred income at 1 April 2020	73,841
Income deferred in the year	72,375
Amounts released from previous years	<u>(73,841)</u>
Deferred income at 31 March 2021	<u><u>72,375</u></u>

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£	£	£	£
Current assets	342,874	312,967	655,841	290,855	9,614	300,469
Current liabilities	(161,864)	-	(161,864)	(149,371)	-	(149,371)
Total funds	<u>181,010</u>	<u>312,967</u>	<u>493,977</u>	<u>141,484</u>	<u>9,614</u>	<u>151,098</u>

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

20 MOVEMENT IN FUNDS

	At 1st April 2020	Income	Expenditure	Transfer between funds	At 31st March 2021
	£	£	£	£	£
Unrestricted funds:					
General fund	141,484	260,739	(221,213)	-	181,010
Restricted income funds:					
Arts Council England LDP	-	380,353	(77,000)	-	303,353
North West Conference	9,364	-	-	-	9,364
South Yorks. Conference	250	-	-	-	250
Total Restricted Funds	9,614	380,353	(77,000)	-	312,967
Total Funds	151,098	641,092	(298,213)	-	493,977

20 MOVEMENTS IN FUNDS (continued)

	At 1st April 2019	Income	Expenditure	Transfer between funds	At 31st 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
Total Restricted Funds	13,916	22,216	(26,518)	-	9,614
Total Funds	126,202	347,223	(322,327)	-	151,098

21 RECONCILIATION OF NET INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES

	Year ended 31-Mar 2021	Year ended 31-Mar 2020
	£	£
Net income	342,879	24,896
Interest received	(124)	(395)
Increase in debtors and prepayments	(291,604)	22,035
Increase in creditors, accruals and deferred income	12,493	(12,428)
Net cash flow from operating activities	63,644	34,108

22 NET MOVEMENT IN CASH FOR THE YEAR

	At 1st April 2020	Cash flow	At 31st March 2021
	£	£	£
Cash at bank and in hand	242,627	63,768	306,395

The UK Association for Music Education – Music Mark

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

RELATED PARTY

23 TRANSACTIONS

Eight trustees who served during the year; James Dickinson, Yogesh Dattani, Jan Ford, David Little, Peter Smalley, Kerry Watson, Peter Bolton, and Jennifer Gilbert were employed during the year by Music Education Organisations 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 at standard, advertised 'arms-length' rates.