

Charity number: 1062049  
Company number: 02944161  
(England and Wales)

Lancaster Community Music Trust  
Report of the Trustees and Unaudited Financial Statements  
For the year ended 31 August 2018

Lancaster Community Music Trust  
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For the year ended 31 August 2018

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Lancaster Community Music Trust  
Report of the Trustees  
For the year ended 31 August 2018

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 August 2018. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015).

**OBJECTIVES AND ACTIVITIES**

Objects of the company

The company's principal objects, as set out in the Memorandum of Association are:

"The promotion, improvement, development and maintenance of public education in, and appreciation of, music in the District of the City of Lancaster."

The company was formed in 1994 and has pursued its objects by establishing, managing and developing a Music Centre for the Lancaster District (known as the Lancaster Community Music Centre) that offers tuition in a variety of instruments, on both a group and individual basis, to members of the public, of all ages and abilities. The Music Centre operates on Saturday mornings, largely during school terms, from premises at Lancaster Royal Grammar School.

There were no changes in the year in the policies adopted by the company in order to further its objects.

Organisation of the company

The company is governed by its Board of Trustees, consisting of not less than 3 members, which meets at least five times per year.

**Objectives and aims**

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

**ACHIEVEMENTS AND PERFORMANCE**

Progress in the year

The company continued to operate the Music Centre from its premises at Lancaster Royal Grammar School. The number of paying members was 120 (an decrease from 129 in 2016-17) Income from access fees (£17,291) increased compared with 2017 (£14,626). Paid ensemble hours remained at around 300 hours as in 2017, corresponding to around 10 hours/week, with some ensembles remaining under voluntary leadership to maintain the reduced expenditure

Voluntary assistance

The company depends considerably on the commitment and enthusiasm of its volunteers. Most of the management of the company is undertaken by unpaid volunteers.

Lancaster Community Music Trust  
Report of the Trustees Continued  
For the year ended 31 August 2018

**FINANCIAL REVIEW**

Review of financial position

The financial results for the year are as set out in the income and expenditure account on page 6 and the statement of financial activities on page 7. The position at the end of the year is shown in the balance sheet on page 8.

The main points arising from these accounts are as follows:

(i) Total income from the company's activities increased by 11.82% to £19,352 (2017 - £17,306). The income within this sum (excluding donations and legacies) applied to the costs of operating the Music Centre increased by £768 from £16,088 to £16,856

(ii) Total expenditure of the company increased by 23.51% to £20,276 (2017 - £16,417).

(iii) Income from donations and associated income tax recoveries increased from £88 to £578.

The revenue reserves of the company increased to £16,151 (2017 - £15,373).

Fixed assets

Movements in fixed assets in the year are shown in note 4 to the accounts. Capital expenditure of £Nil (2017 - nil) took place in the year.

Valuation of fixed assets

The trustees consider the market value of the company's fixed assets to be more than their current book value but in the absence of a valuation are unable to quantify the excess..

Future plans and commitments

The company's finances are considered by the Trustees to be sufficient to meet all existing commitments.

(i) Connected charities

The company is not connected with, or affiliated to, any similar charities.

**Reserves**

The policy of the company is to eventually retain a working capital reserve equivalent to a year's running costs. This is to be achieved by stages. The reserve is considered to be the amount necessary to provide a sufficient financial cushion, should the company have to seek new premises for the Music Centre. For the 2018-19 year, as an interim measure, the policy is to retain a working capital reserve equivalent to 75 per cent of the running costs for the past year. The actual level of the reserve at 31 August 2018 was £16,151 (2017 - £15,373), compared to a required level of £15,206.

Lancaster Community Music Trust  
Report of the Trustees Continued  
For the year ended 31 August 2018

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

Constitution and governing legislation

The charity is established as a limited company, without share capital, under the Companies Act 2006. Its operation is governed by its Memorandum and Articles of Association of 30 June 1994. The company number is 2944161. The company is a registered charity (no. 1062049).

Specific restrictions on the company

(i) Clause 4 of the Memorandum of Association of the company stipulates that the income and property of the company shall be applied solely towards the promotion of its objects and no portion is to be paid by way of dividend, bonus or otherwise to the members of the company. Additionally no trustee appointed to any office of the company is to be paid a salary, or receive any remuneration or other benefit from the company.

(ii) Clause 3.12 of the Memorandum of Association prohibits the company from combining with other entities unless their objects are the same or similar and their constitutions contain similar restrictions to that of the company concerning the distribution of profits.

(iii) Clause 7 of the Memorandum of Association states that upon the winding up or dissolution of the company any assets remaining, after the satisfaction of all liabilities, shall not be paid to or distributed among the members of the company, but shall be transferred to other charitable bodies having similar objects and which similarly prohibit the distribution of income or property among its members.

Full details of all the restrictions imposed on the company and the framework within which the company operates are contained in the Memorandum of Association.

(j) Investment powers

The company is permitted by its Memorandum of Association to invest any funds not immediately required for its purposes in any investments, securities or property as may be thought fit subject to such conditions as may for the time being be imposed or required by law

**Recruitment and appointment of trustees**

Appointment of trustees

The appointment of trustees is governed by provisions contained within the company's Articles of Association. These are as follows:

(i) At each annual general meeting one third of the members of the Board of Trustees must retire and, if desired, stand for re - election. The trustees to retire are those longest in office since their last election.

(ii) The company, at the annual general meeting, may fill the positions vacated by the retiring trustees by electing any persons thereto, or by re - electing the retiring members.

The Board of Trustees has the power to appoint any person to be a trustee either to fill a casual vacancy or in order to increase the number of trustees. Any trustee appointed in this way must retire at the following annual general meeting and stand for re - election, if desired, at that meeting.

(iv) Any member of the company, qualified to attend and vote at the annual general meeting, is entitled to propose the appointment of a person to act as a trustee.

Trustees' responsibilities

The trustees are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the surplus or deficit of the company for that year. In preparing those accounts the trustees are required to:

a) select suitable accounting policies and then apply them consistently,

b) make judgements and estimates that are reasonable and prudent;

c) follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and

d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with all relevant legislation. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Lancaster Community Music Trust  
Report of the Trustees Continued  
For the year ended 31 August 2018

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**Name of Charity** Lancaster Community Music Trust  
**Charity registration number** 1062049  
**Company registration number** 02944161  
**Principal address** 4 Fairfield Close  
Lancaster  
England  
LA1 5NT

**Trustees**

The trustees and officers serving during the year and since the year end were as follows:

Mr J McIlveen  
Mr N Gilliat  
Mr R Frankland  
Mr T Forsdick  
Ms L Howorth  
Mrs M C Shaw  
Mrs N Waller- Sargent

**Secretary**

Mrs R Hutchison

**Independent examiner**

Fiona Wills Accountancy Services  
Warton Suite  
Clawthorpe Hall Business Centre  
Burton in Kendal  
Lancs  
LA6 1NU

**Bankers**

Royal Bank of Scotland  
2 New Street  
Lancaster  
LA1 1EG  
Scottish Widows plc  
PO Box 12757  
67 Morrison Street  
Edinburgh  
EH3 8YJ

Approved by the Board of Trustees and signed on its behalf by

.....  
Mr T Forsdick

19 November 2018

Lancaster Community Music Trust  
Statement of Financial Activities (including Income and Expenditure account)  
For the year ended 31 August 2018

	Notes	Unrestricted funds £	2017 £
<b>Income and endowments from:</b>			
Donations and legacies	2	19,352	17,306
Investments	3	146	42
<b>Total</b>		<b>19,498</b>	<b>17,348</b>
<b>Expenditure on:</b>			
Raising funds	4	(10,788)	(8,603)
Charitable activities	5/6	(8,136)	(7,200)
Other expenditure		(1,352)	(614)
<b>Total</b>		<b>(20,276)</b>	<b>(16,417)</b>
<b>Net income/expenditure</b>		<b>(778)</b>	<b>931</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		15,374	14,443
<b>Total funds carried forward</b>		<b>14,596</b>	<b>15,374</b>

Lancaster Community Music Trust  
Statement of Financial Position  
As at 31 August 2018

	Notes	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	10	174	250
		<b>174</b>	<b>250</b>
<b>Current assets</b>			
Cash at bank and in hand		14,902	15,705
		<b>14,902</b>	<b>15,705</b>
<b>Creditors: amounts falling due within one year</b>	11	(480)	(581)
<b>Net current assets</b>		<b>14,422</b>	<b>15,124</b>
<b>Total assets less current liabilities</b>		<b>14,596</b>	<b>15,374</b>
<b>Net assets</b>		<b>14,596</b>	<b>15,374</b>
<b>The funds of the charity</b>			
Unrestricted income funds	12	14,596	15,374
<b>Total funds</b>		<b>14,596</b>	<b>15,374</b>

For the year ended 31 August 2018 the company 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,
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statement were approved and authorised for issue by the Board and signed on its behalf by:

.....  
Mrs N Waller- Sargent  
Trustee  
19 November 2018



Lancaster Community Music Trust  
Notes to the Financial Statements  
For the year ended 31 August 2018

**1. Accounting Policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Lancaster Community Music Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**2. Income from donations and legacies**

	2018	2017
	£	£
<b>Unrestricted funds</b>		
Donations received	17,870	15,116
Legacies received	1,482	1,359
Grants received	-	823
Subscriptions received	-	8
	<b>19,352</b>	<b>17,306</b>

**3. Investment income**

	2018	2017
	£	£
<b>Unrestricted funds</b>		
Bank interest receivable	146	42
	<b>146</b>	<b>42</b>

**4. Expenditure on generating donations and legacies**

	2018	2017
	£	£
<b>Unrestricted funds</b>		
Donations	9,123	7,792
Legacies	765	394
Support costs	900	417
	<b>10,788</b>	<b>8,603</b>

Lancaster Community Music Trust  
Notes to the Financial Statements Continued  
For the year ended 31 August 2018

**5. Costs of charitable activities by fund type**

	<b>2018</b>	<b>2017</b>
	£	£
<b>Unrestricted funds</b>		
Support costs	8,136	7,200

**6. Costs of charitable activities by activity type**

	<b>2018</b>	<b>2017</b>
	£	£
Activity 1	-	7,200

**7. Analysis of support costs**

	<b>2018</b>	<b>2017</b>
	£	£
Governance costs	9,036	7,617

**8. Net income/(expenditure) for the year**

This is stated after charging/(crediting):

	<b>2018</b>	<b>2017</b>
	£	£
Depreciation of owned fixed assets	76	108
Accountancy fees	379	417
	755	525

**9. Comparative for the Statement of Financial Activities**

The comparative year values on the Statement of Financial Activities are for unrestricted funds.

Lancaster Community Music Trust  
Notes to the Financial Statements Continued  
For the year ended 31 August 2018

**10. Tangible fixed assets**

<b>Cost or valuation</b>	<b>Plant and machinery</b>	<b>Fixtures and fittings</b>	<b>Total</b>
	£	£	£
At 01 September 2017	14,621	636	15,257
At 31 August 2018	<b>14,621</b>	<b>636</b>	<b>15,257</b>
<b>Depreciation</b>			
At 01 September 2017	14,371	636	15,007
Charge for year	76	-	76
At 31 August 2018	<b>14,447</b>	<b>636</b>	<b>15,083</b>
<b>Net book values</b>			
At 31 August 2018	<b>174</b>	-	<b>174</b>
At 31 August 2017	<b>250</b>	-	<b>250</b>

**11. Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	£	£
Accruals and deferred income	480	581
	<b>480</b>	<b>581</b>

**12. Movement in funds**

**Unrestricted Funds**

	<b>Balance at 01/09/2017</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Balance at 31/08/2018</b>
	£	£	£	£
<i>General</i>				
General	15,374	19,498	(20,276)	14,596
	<b>15,374</b>	<b>19,498</b>	<b>(20,276)</b>	<b>14,596</b>

**Unrestricted Funds - Previous year**

	<b>Balance at 01/09/2016</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Balance at 31/08/2017</b>
	£	£	£	£
<i>General</i>				
General	14,443	17,348	(16,417)	15,374
	<b>14,443</b>	<b>17,348</b>	<b>(16,417)</b>	<b>15,374</b>

Lancaster Community Music Trust  
Notes to the Financial Statements Continued  
For the year ended 31 August 2018

**Purpose of unrestricted Funds**

General

The charity exists to provide education in music to all ages to residents of the district of Lancaster

**13. Analysis of net assets between funds**

	Tangible fixed assets £	Net current assets / (liabilities) £	Net Assets £
<b>Unrestricted funds</b>			
<i>General</i>			
General	174	14,422	14,596
	<b>174</b>	<b>14,422</b>	<b>14,596</b>
<b>Previous year</b>			
<i>General</i>			
General	250	15,124	15,374
	<b>250</b>	<b>15,124</b>	<b>15,374</b>

Lancaster Community Music Trust  
Detailed Statement of Financial Activities  
For the year ended 31 August 2018

	2018	2017
	£	£
<b>INCOME AND ENDOWMENT</b>		
<b>Donations and legacies</b>		
Donations	17,870	15,116
Legacies	1,482	1,359
Grants receivable	-	823
Subscriptions	-	8
	<b>19,352</b>	<b>17,306</b>
<b>Investments</b>		
Bank interest receivable	146	42
	<b>146</b>	<b>42</b>
<b>Total incoming resources</b>	<b>19,498</b>	<b>17,348</b>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Donations	(9,123)	(7,792)
Legacies	(765)	(394)
	<b>(9,888)</b>	<b>(8,186)</b>
<b>Other</b>		
Other resources expended 1	(742)	(548)
Other resources expended 2	(161)	(66)
Other resources expended 3	(117)	-
Other resources expended 4	(332)	-
	<b>(1,352)</b>	<b>(614)</b>
<b>SUPPORT COSTS</b>		
<b>Governance costs</b>		
Governance costs	(900)	(417)
Governance costs	(8,136)	(7,200)
	<b>(9,036)</b>	<b>(7,617)</b>
<b>Total resources expended</b>	<b>(20,276)</b>	<b>(16,417)</b>
<b>Net Expenditure</b>	<b>(778)</b>	<b>931</b>