

Registered number: 1673689
Charity number: 284555

**THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS
BERKSHIRE MAESTROS)**
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the company, its Trustees and advisers	1 - 2
Trustees' report	3 - 13
Independent auditor's report on the financial statements	14 - 17
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 47

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

R Belshaw (appointed 22 September 2020)
C Bowring (retired 8 May 2021)
A Butler (appointed 22 September 2020)
J Carroll (appointed 22 September 2020)
P Gittings (retired 8 May 2021)
D Harris (appointed 22 September 2020)
C Hyde
A Jackson
A Knight (appointed 15 December 2020)
J Manwaring (resigned 15 March 2021)
A Menzies (resigned 24 November 2020)
A Pollard, Chairman
J Quinn (resigned 27 April 2021)
C Robinson
R Roscoe
M Rouco (appointed 22 September 2020)
G Sehringer (resigned 24 November 2020)

The trustees who retire by rotation are: A Jackson, A Pollard, C Robinson and R Roscoe; with A Jackson, A Pollard and C Robinson being eligible, offering themselves for re-election.

Company registered number

1673689

Charity registered number

284555

Registered office

Stoneham Court, 100 Cockney Hill, Reading, Berkshire, RG30 4EZ

Chief executive officer

Dawn Wren

Independent auditor

James Cowper Kreston, 2 Communications Road, Greenham Business Park, Greenham, Newbury, Berkshire, RG19 6AB

Bankers

Barclays Bank Plc, Business Centre, PO Box 6193, Basingstoke, Hampshire, RG21 3RX

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Solicitors

Field Seymour Parkes Solicitors, The Old Coroner's Court, 1 London Street, PO Box 174, Reading, Berkshire, RG1 4QW

Actuaries

Hymans Robertson, One London Wall, London, EC2Y 5EA

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are all directors of the company, present their annual report together with the audited financial statements for the year ended 31 August 2021. The trustees confirm that the accounts comply with the Companies Act 2006 and the Charities Act 2011, have been prepared in accordance with the revised Statement of Recommended Practice 'Accounting and Reporting by Charities' (FRS 102) 2019 and comply with the company's Memorandum and Articles of Association, which is the charity's governing document.

The Berkshire Young Musicians Trust ('Berkshire Maestros') is a Registered Charitable Company limited by guarantee and incorporated as a company registered under the name the Berkshire Young Musicians Trust. On 25 August 1982 the Trust was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Executive Summary

2020-2021 continued to be a year of change and challenge with the ongoing effects of the global pandemic. Throughout this period Berkshire Maestros has striven to keep delivering high quality musical opportunities for young people

The academic year started positively with schools reopening. However, there followed a year of fluidity between face-to-face activities and online activities dependant on government guidance. This obviously impacted both student numbers for lessons and ensembles and limited what we were able to deliver into schools. However, we were supported through this time by two grants from the Department for Culture Media and Sport (DCMS)' Culture Recovery Fund (CRF), as well as using the Coronavirus Job Retention Scheme to fill the income gap produced by reduced student numbers. Where possible and safe to do so we maintained activities and towards the end of the year were able to run promotions to increase numbers again ready for the 21-22 academic year.

This has enabled us to maintain and end the year in a solid financial position from which to continue the growth in student numbers and continue offering a range of musical opportunities to young people and adults across Berkshire.

None of this would have been possible without the hard work and dedication of our staff – the teaching staff who continued to provide lessons, ensembles and school activities through a variety of formats as well as the support teams, who keep everything running in the background and support our customers and pupils.

Objectives and activities

Berkshire Maestros exists to provide a high quality, comprehensive musical experience to the widest group of pupils, regardless of their background or ability. We work with schools and a wide range of professional and voluntary sector partners to provide an innovative range of creative and performance opportunities for our students.

On behalf of Arts Council England (ACE), Berkshire Maestros leads the Berkshire Music Hub and is responsible for the delivery of the National Plan for Music Education (NPME) across Berkshire.

Our objectives are delivered through individual and group tuition in voice and a variety of instruments in schools and in four large music centres in Bracknell, Newbury, Reading and Windsor as well as three smaller satellite centres in Caversham, Emmbrook and Bulmershe. Wokingham Borough students attend the music centres in Bracknell and Reading as well as the two Wokingham satellite centres above. Tuition is supplemented by a wide range of ensembles and other extension activities at all levels. Services are contracted directly to parents and carers of students, to schools and to Arts Council England who are responsible for the distribution and management of the Music Education Grant provided by the Department for Education (DfE).

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

The trustees review Berkshire Maestros' Public Benefit commitments annually. The services provided: music education and promotion of the arts, are both defined within the Charities Act 2006 as charitable activities. The Trust has comprehensive anti-discriminatory policies that are regularly reviewed to ensure compliance. These policies cover all discrimination including financial hardship for which a number of restricted funds have been created to assist students from such backgrounds. Provision of financial assistance is not limited to students of families who qualify for assistance from 'Pupil Premium'. The trustees recognise that students from families whose income is only a little above the level to qualify for 'Pupil Premium' but contend with the high cost of living in Berkshire, may also require support and these applications are looked upon favourably. We operate a 'Sponsor a Child' fund to assist children and young people in this category.

Our vision – Teaching Music, Changing Lives

Belief: We believe in the power of music to change lives

Vision Statement: All children and young people in Berkshire will experience an inspirational, high-quality musical education and the joy of making music with others

Mission Statement:

Berkshire Maestros is the lead organisation of the Berkshire Music Education Hub. Through our passion for music making, creativity, expertise and excellence, we aim to deliver the highest quality musical education to meet the aspirations and needs of every child, young musician, school and music leader in Berkshire. We aim to inspire and empower our young musicians and create life-enhancing, enjoyable and sustainable musical opportunities through providing first access and coherent, progressive pathways and enable our community to achieve their potential, develop and celebrate through music. We will consistently fulfil our promise of 'Teaching Music, Changing Lives' through delivering outstanding value, continuous innovation and exceptional quality - we will bring the best to everyone we reach.

Core Values:

- Ambition and access for every child and young person
- Excellence in practice
- Commitment to our partnerships and community working
- Respect, professionalism, and investment in our colleagues
- Effective and evolving communication
- Positive and proactive approach
- Determination to drive continuous improvement and embrace change

Strategic aims 2018-2022

- We will become the preferred provider of musical services across Berkshire, known and respected for our passion for high standards, the high quality of our teaching and our commitment to create exceptional and accessible musical opportunities for all children and young people regardless of circumstance
- We will provide an unrivalled breadth of choice, diversity and range of opportunities enabling our young musicians to achieve their potential whilst ensuring that all musical activities are rewarding, inspiring and sustainable
- We will give all children a first access to instrumental learning and clear, sustainable progression routes, co-ordinating and assuring a high quality of instrumental and vocal tuition, ensemble provision and other music-making activities
- We will be at the leading edge of music education, doing what others cannot do, embracing and driving change and challenging what is possible through creativity and innovation
- We will be a credit to the community we serve by developing and sustaining inspirational partnerships with local and professional music providers, contributing to raising musical standards in schools and the wider community

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

- We will listen to our customers and key stakeholders to enable us to continually improve, embracing the notion that Maestros is at their service, meeting or exceeding our customers' expectations whilst providing excellent value for money
- We will ensure that our customer service and communication is second-to-none so that our staff, students, schools and partners can depend on us to deliver a consistent high quality service supporting them to achieve the best possible outcomes for our pupils, their families and the community
- We will attract, develop and retain a high qualified and talented workforce committed to our ethos and core values, creating and sustaining opportunities for professional growth

Achievements, performance and KPIs

As lead organisation for Berkshire Maestros Music Education Hub, we continue to fully implement the NPME, including all core and extension roles. In the annual feedback letter from Arts Council England, our particular strengths have been cited as:

- Maintained engagement with schools, CPD and young people during lockdown. Stats show that engagement levels remain high and above national average for this period
- Continued communication with schools and stakeholders allowed for adaptive engagement
- Developed a flexible and adaptive business plan with a blended offer, of different (more Covid-safe) instruments (such as body percussion), outdoor and online working
- Established a new inclusion strategy to develop training, partnerships and setting out new KPIs for the future.

Through this work, the Hub has managed to overcome the following challenges:

- Schools being closed or with limited access for several months.
- 'Digital fatigue' faced by young musicians who were having to carry out school learning online
- Families facing loss of income

Data shows that Hubs nationally have experienced downturns in engagement due to the Covid-19 Pandemic. Berkshire Maestros shows to be above the national average for engagement in core roles, WCET and singing strategies, demonstrating how they adapted delivery in response to the Covid-19 pandemic.

Berkshire Maestros were also able to make significant developments in leadership and governance over the last year:

- Carrying out a staffing review to support leadership and to bring in new roles.
- Establishment of a youth committee to work with trustees
- Skills audit and recruitment of new Trustees
- Induction of a new Chair of Trustees

ACE has assessed the level of risk attached to the DfE funding as moderate risk mainly due to the financial repercussions of the global pandemic. This adds an increased level of support from ACE including coaching and peer support which the CEO has benefitted from.

Early Years

Our Early Years provision has been more severely affected by the pandemic than other activities due to the difficulty in engaging very young children in an online capacity. We restarted sessions as soon as we safely could, albeit with reduced numbers and with gaps in between sessions. Focus remains on establishing an Early Years Network so that we can support staff delivering in early years settings with their music provision as well as rebuilding numbers after Covid and promoting the benefits of starting music from an early age.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

First Access

First Access (government funded whole class instrumental programme) continued to be well received in schools and our free termly programme reached 50% of primary schools across the county which was a 9% increase from the previous year. Where schools or teachers were reluctant to use particularly woodwind or brass instruments or didn't have enough space to follow our risk assessment, we provided alternative resources so that students were still receiving a weekly music session. These were in the shape of weekly resource sheets which included a link to videos we prerecorded making use of body percussion, singing and other activities to teach basic musicianship which could then be transferred onto instruments in the future. We also supported the iCollege in West Berkshire for the first time (alternative provision for learners unable to access mainstream education) with a band project using guitars/keys/drums and including song-writing and recording.

We continued to run a successful whole-class continuation programme which saw 17 schools continue. We spent time this year analysing the programme, ensuring we can run it in a more financially viable way as well as supporting teachers with resources for each programme moving forward.

Instrumental & Vocal Tuition in Schools & Music Centres

Student numbers stayed fairly stable for the year at around 70% of pre-Covid numbers. Students received a mixture of online and face to face sessions dependent on where their lessons normally took place. We had the benefit of our own building for Reading Music Centre students, but our other music centres were heavily reliant on the schools in which they are based, some of whom did not allow any face-to-face activity in the year. We spent the year developing a revised Teaching & Learning Policy and revised observation criteria and reflection form which will be rolled out from September 2021.

The CRF grant enabled us to offer half price lessons for new students during the Summer term, so numbers increased to just under 80% of pre-Covid numbers during this time.

Ensembles & County Groups

Our ensembles were also hugely impacted by the pandemic. We moved to online rehearsals from September, however these were difficult to maintain online and numbers dropped by 42% across the year. Due to these numbers, we had to make difficult but necessary decisions to cut some groups we had been running moving from 144 ensembles across the County to only 86. Where possible we amalgamated ensembles, but we also used this as an opportunity to try something different and string players in the East of the County benefitted from attending different weekly drop-in sessions based around sight-reading, improvisation, repertoire and scales. These proved very popular and enabled our students to access something musically valuable in these online sessions.

Where possible we worked creatively to ensure our County Groups could still rehearse and perform together including outdoor rehearsals in a car park or socially distanced recordings in a large well-ventilated venue.

Instrument Hire Scheme

We continued to run a successful instrument hire scheme which helped children and young people access a range of instruments. Despite raising the price of our instrument hire scheme (to better reflect the costs incurred), we continued to hire out over 8,000 instruments in 2020-2021. Our resources team worked hard to deliver instruments across the County to facilitate children starting lessons wherever possible.

Support for Schools

We increased our support and Continued Professional Development (CPD) for schools using Zoom to facilitate and ensure greater accessibility to training for school staff. We developed new partnerships with Beat Goes On and Music First to be able to offer a wider variety of high quality support to schools by increasing the training and resources schools can access. We send school newsletters out twice a term to communicate our offer to schools clearly and to help open up those conversations with schools; and we have recently appointed our first Music Mark school. Our two School Development Managers continue to build relationships with schools and discuss ways in which music can be further embedded in their schools.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Singing Strategy

The singing strategy continues to be implemented and updated according to local need. The two Singing Development Coordinators have established themselves successfully amongst schools in their area and continue to support schools and colleagues to enable high quality singing from a young age. The Junior Music Festivals are normally key highlights of the year, however we had to cancel these but replaced them with Singing Picnics in the Summer term 2021 to encourage schools to sing again after the pandemic. We ran an initial live webinar teaching school staff some singing games and songs and then schools were invited to download the recordings and song sheets from our website and use them to hold a singing picnic in their own school. 57 schools took part in this activity and more were able to download the resources and videos after the event.

Partnerships

We have sought to embed our relationships with current partners and repair relationships with previous partners that had broken down. This enabled us to start work again with Readipop in particular to plan the delivery of a project with young carers as well as projects in alternative provisions in the County. The projects themselves will be delivered in 2021-2022 but we have worked closely with Readipop in the lead up to the launch of these. We continued to work with Soundabout to deliver our projects in Special Educational Needs and Disabilities (SEND) schools, even moving a project at a specialist Autism school online and working creatively with technology to maintain the aims of the project. This project has been a particular highlight as it has enabled us to work with 101 students, reach 66 school staff, deliver 13 CPD sessions and deliver 116 music sessions across four SEND schools. We have built a new relationship with Berkshire Vision who work with blind and partially-sighted children and young people. A particular highlight of this was enabling their students to come and try out instruments in a safe environment so they could hear and explore the vibrations of each instrument. Other new partners include: Aldworth Philharmonic – a local orchestra, Make Sense Theatre - a theatre company for the neurodiverse; and Berkshire Youth who help with the transition from childhood to young adulthood, supporting young people to reach their full potential. We continued to work in partnership with the Windsor Festival and ran a successful event there last year - Berkshire Young Musician of the Year for Strings. We also continued to work with the Royal Philharmonic Orchestra (RPO) - the usual 'noisy kids' concert had to be postponed however we took the opportunity to plan a project to inspire more students to take GCSE music through composition workshops.

Examinations

Where it was possible, we continued to run Trinity and ABRSM exam sessions for our students and in fact there was an increase in the number of students taking exams from 379 last year to 745 exam entries in 2020-2021. Of these, 94% passed in total with 38% gaining a merit and 16% gaining a distinction. 9.4% of the total number of entries were Grade 8, this is an increase of 52 entries compared to last year. 36% of the Grade 8 entries achieved a distinction, 34% achieved a merit and 29% passed. 2% of the total number of entries were for ARSM/Advanced Certificate/Diploma level, this was an increase of 13 entries compared to last year. 33% of the ARSM/Certificate entries achieved a distinction and 53% of them achieved a merit. We also continue to run Trinity Rock and Pop exams and Rock School exams.

Funding

We successfully bid for the following funding during the year:

- £783,746 Culture Recovery Fund grant from DCMS (First round)
- £1,905 from the Earley Charity Covid-19 Support Fund for PPE
- £500 from Wokingham Without Parish for our Mini Maestros in the Community classes
- £16,761 from our Double Match Day event with the Greenham Trust
- £375,240 Culture Recovery Fund from DCMS (Second round)
- £30,000 from the Foyle Foundation for digital equipment

We are planning to build on this next year starting with a fundraising strategy that will enable us to strategically plan a more robust approach to external fundraising.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Technology

Thanks to a grant from the Foyle Foundation, we purchased 30 iPads to support us to deliver music projects using Garage Band. These are being used as part of our inclusion strategy and to deliver First Access projects.

Through the hub's continued partnership with Charanga, take up of the hub's digital learning support for core and extension roles continues to grow. Charanga is a multi-hub online learning platform through which schools, instrumental teachers, and children and young people access a variety of online musical digital technology support programmes, as well as training and CPD. In 2020-2021, 156 schools were provided with access to the Charanga Musical School programme where its musical digital technology was used in 20,794 hours of teaching.

We continue to use Microsoft (MS) and Office 365 to support us in a new hybrid way of working and we have utilised further capability such as MS Teams, MS Planner and a hot desk booking system to support our return to the office. Meetings with stakeholders, trustees, staff and other partners have continued to be online or hybrid and remain an advantageous way to have meetings. More use of digital resources has moved us away from paper-based systems and we invested in two add-ons to our financial software that will enhance this further and take away the need to print invoices/purchase order's etc. We are now utilising a sign-in app to tighten up safeguarding of our staff and students at music centres. These were trialled in the summer term in one centre and will be rolled out to our remaining centres during 2021-2022.

Events

Events were hugely reduced due to Covid. However, working within the Covid parameters we organised an 11 hour live streamed fundraising and celebration event in December 2020, celebrating what had been achieved despite the pandemic and with performances from schools, staff, ensembles, individual students, partners and county groups. Raising an incredible £16,000, it was a wonderful event that really showcased our motto for the year that we would 'keep the music playing'.

We then ended the academic year with a two-day outdoor summer festival showcasing all ensembles from across the County. Again, this was a real celebration of what had been achieved despite the setbacks of the year and was a wonderful opportunity for staff, parents and students to return face to face to music making.

Impact of Covid

We were hopeful that things would return to normal in September 2020 but we faced another two terms of lockdowns which meant that our music centres couldn't fully reopen, ensembles needed to be online and some activity in schools still could not take place. Utilising our Business Stabilisation Plan, we were able to navigate the challenges fairly easily as we had the infrastructure in place to move activities online at very short notice.

Financially however, this meant that our student numbers remained around the 70-75% mark of pre-Covid numbers and ensemble numbers plummeted even further due to Zoom-fatigue setting in. We were able to secure use of the Coronavirus Job Retention Scheme to cover staff costs where demand fell short of contractual obligations. We were also able to make use of CRF (second round) grant to run some marketing and promotion activities in the Summer term to bolster numbers, offering half-price lessons and free ensemble membership.

Our core business staff started the year back in the office, but we soon returned to working from home as directed by the government guidance. We took this opportunity to survey staff to find out what they would like to return to, whether fully working from home, a hybrid or returning to the office and discovered that most wanted a hybrid. This gave us an opportunity to adapt our office space and reduce the footprint of the office to enable more rooms to be utilised for teaching and/or storage of instruments. Core office staff returned to a new hot-desking system at the end of August, ready for the new academic year.

Moving forward there are huge opportunities that will come from learnings during the pandemic, particularly in the area of technology and alternative/hybrid delivery options. This will impact how we deliver our activity in the future to enable cost savings, ease environmental pressures and create better work/life balance for staff.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Equality, Diversity & Inclusion

We spent the year working with a musical inclusion specialist to develop an inclusion strategy in order that we can increase the scope of children and young people that we work with. We are looking to diversify our offer and ensure we are accessible to all, including children in challenging circumstances. The inclusion strategy spans 4 years and is supported by an action plan and workforce development plan.

Financial review

The financial results are set out in the Statement of Financial Activities and demonstrate a surplus for the year of £766,238 (2020: deficit of £439,891).

In order to comply with accounting standards and, in particular FRS 102 Post-Employment Benefits, resources expended include a charge of £243,000 (2020: £185,000) for pension costs relating to the Defined Benefit Pension Scheme for administrative staff. This accounting standard requires that the pensions liability is recognised as the benefits are earned, not when they are due to be paid, and accordingly an estimate of the liabilities accrued for the period is provided by the scheme's actuary (for full details see note 25). This adjustment is calculated at the year-end and is not monitored throughout the year when reviewing operating finances of the organisation. The total value of the pension scheme liability at 31 August 2021 is £3,468,000 (2020: £2,910,000) as shown in the balance sheet.

For operational purposes, the trustees use the "Operating surplus/(deficit)" of the unrestricted funds as a more meaningful performance measure. The unrestricted operating surplus for the period was £308k as shown below:

	2021		2020	
	Unrestricted	Restricted	Unrestricted	Restricted
	£'000	£'000	£'000	£'000
Income	2,974	2,365	3,478	1,186
Expenditure	(2,666)	(1,734)	(3,756)	(1,192)
Operating surplus / (deficit)	308	631	(278)	(6)
FRS 102 adjustment	(243)	0	(185)	0
Unrealised investment gain	71	0	29	0
Net income / (expenditure)	136	631	(434)	(6)

Operational results of the year have continued to be substantially affected by the Covid-19 pandemic as the national lockdown and restrictions on face-to-face teaching were put in place. Government funding from the ACE was unaffected, but the number of students taking lessons fell during the period from pre-pandemic levels as teaching moved online and a reduced number of school projects were delivered. It has not been possible to raise additional income from subletting rooms at Stoneham Court or the usual level of fundraising at live performances due to reduced occurrence of events. This will have a knock-on impact on the value of income raised through gift aid and orchestra tax.

Action has continued to be taken throughout this pandemic to seek additional funding and to reduce costs wherever possible. Teaching has continued to be reallocated to contracted staff in order to reduce variable fees paid to self-employed teachers. We have utilised the new option to part furlough staff and this has seen our use of the Job Retention Scheme increase to £163k (2020: £20k). Although some savings have been made on running costs, overheads were largely unaffected, with Music Centre premises costs remaining payable under the contractual terms.

We successfully applied to the DCMS for the Culture Recovery Fund and received two grants that have helped purchase the required PPE equipment to enable lessons to resume face to face, financed our projected shortfall due to lower student numbers, and it has helped to rebuild our reserves.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the SORP 5.8, all of the restricted income relating to CRF has been recognised in the year ending 31st August 2021. It is important to note that some of the associated expenditure will take place after this date, as shown by the carry forward balance of CRF in note 19. This increases restricted operating profit in these financial statements by increasing restricted income and it decreases restricted operating profit/increases restricted operating loss in the next set of financial statements due to increasing restricted expenditure.

We have also successfully applied for a grant to help us purchase the digital equipment required to switch to remotely accessed live events.

Income

Overall total income increased year on year to £5,339k (2020: £4,664k):

- Fees from parent paid and school lessons and ensembles showed a reduction at £2,590k (2020: £3,133k), as a result of reduced activity levels during the pandemic.
- Government funding was increased to £1,158k (2020: £1,152k). These are restricted funds provided specifically to support delivery of the National Plan for Music Education through first access programmes and music hub activities together with funding from the Department of Education to support the Teachers Pension Scheme.
- Other income raised through music related activities such as examinations, concerts, instrument hire was lower at £182k (2020: £287k).
- The furlough scheme saw increased income at £163k (2020: £20k).
- Culture Recovery Fund income was £1,159k.

Expenditure

Total expenditure showed a reduction to £4,643k (2020: £5,133k):

- Contracted staff costs were lower at £3,409k (2020: £3,656k) as a result of reduced recruitment.
- Fees paid to self-employed staff were lower at £222k (2020: £286k) due to the reallocation of teaching activities to contracted staff.
- Event costs were substantially lower at £17k (2020: £69k) reflecting the cancellation of events due to Covid.
- Governance costs were lower at £25k (2020: £31k).

Cashflow

There was a net inflow of cash during the year with cash balances of £1,134k (2020: £396k) at year end. This includes the CRF funding and income received prior to year end for Autumn 2021 activities.

Restricted funds

The total value of restricted funds held at the year-end is £328k (2020: £42k). The funding received from ACE was used to directly support our activities as leader of the Berkshire Music Hub, with no balance carried forward. Other restricted funds relate to donations specifically provided by individuals or organisations to provide financial support for students in the form of fee assistance or donated instruments. The Covid-19 hardship fund has been continued, specifically supporting children whose families are suffering financial hardship as a result of the pandemic.

Principal risks and uncertainties

The trustees have a risk management strategy which comprises an annual review of the risks Berkshire Maestros may face and establishes systems and procedures to mitigate those risks identified.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The trustees consider the major risks facing Berkshire Maestros are:

- Arts Council England funding continues to be confirmed on a one-year cycle, currently confirmed until March 2023, giving limited forward certainty on this portion of our funding.
- On-going impact of Covid-19 and the (necessary) restrictions – national lockdown and/or higher tier rules have a significant impact on our ability to offer the full range of services and experiences, leading to a drop in pupil numbers.
- Underfunding of the two defined benefit pension schemes, the Teachers Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). This could result in additional provisions in the accounts and/or an increase in costs.
- Uncertainty created by the current economic climate and the impact of Brexit, music lessons being an early victim of any downturn in the economy.

Reserves policy

The trustees reviewed their reserves policy during the year in light of the Covid-19 pandemic. It was agreed to maintain the existing threshold of reserves (three times the average regular monthly expenditure) as being adequate against costs and that the funds invested with Ruffer should only be divested as a last resort and that if necessary, emergency coronavirus loan schemes would be used to help get through the short-term impacts of the crisis.

Structure, governance and management

Constitution

The Berkshire Young Musicians Trust (operating as Berkshire Maestros) is registered as a Charitable Company limited by guarantee and was set up by a Memorandum of Association.

Trustee Board

The Trust is managed by a trustee board. It has been the practice to date that a number of the seats on the board of trustees have been reserved (for Parent Associations and School representatives) with other appointments at the discretion of the board. We will be reviewing the role of reserved seats as part of concluding our on-going governance. The board is ultimately responsible for the activities and performance of the Trust. However, day to day management is delegated to the Chief Executive supported by a Senior Leadership Team.

Reserved seats are currently filled as follows:

Parent associations: A Pollard (Newbury)

School representatives: A Butler (Primary Head), Maria Rouco (SEND)

During the course of the year, participating unitary authorities: P Gittings (Reading) and C Bowring (Wokingham) were moved to Local Authority representatives without trustee powers in-line with G Bernard (Bracknell Forest) and C Del Campo (Royal Borough of Windsor & Maidenhead). Three representatives from Berkshire Maestros Staff Association and the Chair of the Berkshire Maestros Youth Advisory Board also attend Board meetings (these representatives do not have trustee powers).

Eight seats on the board are currently occupied by other persons who have been invited to stand as trustees by the full board to provide relevant experience and skills.

Election and appointment of trustees

Nominations for appointments for any of the Reserved Seats are made by their sponsoring organisations. The trustee board then considers and approves such nominations.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Upon the resignation or retirement of trustees from any of the seats reserved for external bodies, the board will consider nominations made by those bodies and decide on their suitability. The board has an expectation that should any trustee cease to be a member or cease to have close and acceptable connections with their nominating body, then the trustee will immediately vacate the position.

The Articles of Association require that each year one third of the board retire and, if eligible, seek re-election at the Annual General Meeting. New trustees appointed within the year are required to stand for re-election at the first Annual General Meeting following their appointment.

Each trustee undertakes induction training which consists of a briefing by the Chief Executive and Chair of trustees on their roles and responsibilities. They are furnished with a range of information and literature for future reference. Emphasis is placed on the legal status and responsibilities of a trustee. An annual update on trustees' obligations and requirements together with issues facing charities has been introduced from 2012.

Governance

The full board meets at least six times a year to consider overall performance and future direction and strategy. Committees comprising trustees, the CEO and other appropriate senior managers, support the board by considering matters in greater depth and maintaining a closer link with the Trust's executive management. These committees generally have "non-executive" roles, except where financial and operational control procedures require trustee level authorisation.

Currently, there is one Committee — Finance and Property, with its areas of responsibility involving monitoring and reviewing operational and financial performance together with ensuring appropriate financial controls are in operation. Additionally, it has responsibility for risk management, governance and statutory audit.

As part of the governance review that has been carried out through the calendar year 2021, we have actively considered what additional Committees should be established moving forward.

Pay policy for key management personnel

Key management are considered to be the Chief Executive and members on the Senior Leadership Team (SLT). Their salaries are reviewed each year by the trustees and any increase is usually at the same rate as other staff.

Health & Safety and Child Protection

The health and safety of staff and students together with child protection are primary concerns to the trustees.

All key staff undertake both first aid and fire marshal training and all staff are made aware of their own duties and responsibilities for health and safety issues. Particular attention is paid to risks to staff and students from prolonged exposure to high volume instruments.

Additional risk assessments for operating in a Covid-19-secure manner were created and kept under regular review to enable activities to take place (when and as allowed under government regulations and guidelines) as safely as possible for both staff and students.

Berkshire Maestros adopts the current requirements of the Home Office and Department of Education (DfE) to arrange the registration and Enhanced DBS checks for all new staff. All staff are required to complete a "Declaration of Disqualification" and undergo Prevent training. We hold on file and verify all personnel, right to work, medical and disqualification checks in line with OFSTED including home address and NI number — in line with July 2015 DfE Guidance — Keeping children safe in education. DBSs are regularly re-checked for all staff and a regular cycle of safeguarding training in place.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Statement of trustees' responsibilities

The trustees (who are also the directors of the company 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, James Cowper Kreston, has indicated his willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees and signed on their behalf by:


.....

A Pollard
Chairman of Trustees
Date: 15/2/2022

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)

Opinion

We have audited the financial statements of The Berkshire Young Musicians Trust (operating as Berkshire Maestros) (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS) (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

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

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

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS) (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

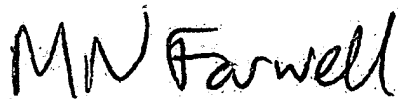
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BERKSHIRE YOUNG MUSICIANS
TRUST (OPERATING AS BERKSHIRE MAESTROS) (CONTINUED)**

A handwritten signature in black ink, appearing to read 'MN Farwell'.

Michael Farwell MA DChA (Senior statutory auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

2 Communications Road

Greenham Business Park

Greenham

Newbury

Berkshire

RG19 6AB

Date: 25/02/2022

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and grants	4	1,206,761	181,306	1,388,067	71,067
Charitable activities:	6				
Fees		-	2,590,067	2,590,067	3,132,885
Government funding		1,158,121	-	1,158,121	1,151,588
Other music related activities		-	182,278	182,278	286,996
Investments	5	-	7	7	211
Other income		-	20,656	20,656	21,178
Total income		2,364,882	2,974,314	5,339,196	4,663,925
Expenditure on:					
Raising funds		-	58,689	58,689	65,678
Charitable activities	9	1,734,353	2,850,447	4,584,800	5,067,124
Total expenditure		1,734,353	2,909,136	4,643,489	5,132,802
Net income/(expenditure) before net gains on investments		630,529	65,178	695,707	(468,877)
Net gains on investments		-	70,531	70,531	28,986
Net income/(expenditure)		630,529	135,709	766,238	(439,891)
Transfers between funds	19	(344,150)	344,150	-	-
Net movement in funds before other recognised gains/(losses)		286,379	479,859	766,238	(439,891)
Other recognised gains/(losses):					
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(315,000)	(315,000)	(368,000)
Net movement in funds		286,379	164,859	451,238	(807,891)
Reconciliation of funds:					
Total funds brought forward		41,561	(955,980)	(914,419)	(106,528)
Net movement in funds		286,379	164,859	451,238	(807,891)
Total funds carried forward		327,940	(791,121)	(463,181)	(914,419)

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 21 to 47 form part of these financial statements.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)
REGISTERED NUMBER: 1673689

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	1,597,632	1,602,404
Investments	15	100	100
		<u>1,597,732</u>	<u>1,602,504</u>
Current assets			
Debtors	16	969,948	707,604
Investments	17	612,832	542,301
Cash at bank and in hand		1,134,175	395,817
		<u>2,716,955</u>	<u>1,645,722</u>
Creditors: amounts falling due within one year	18	(1,309,868)	(1,252,645)
Net current assets		<u>1,407,087</u>	<u>393,077</u>
Defined benefit pension scheme liability	25	(3,468,000)	(2,910,000)
Total net assets		<u>(463,181)</u>	<u>(914,419)</u>
Charity funds			
Restricted funds	19	327,940	41,561
Unrestricted funds			
Unrestricted funds excluding pension asset	19	2,676,879	1,954,020
Pension reserve	19	(3,468,000)	(2,910,000)
Total unrestricted funds	19	<u>(791,121)</u>	<u>(955,980)</u>
Total funds		<u>(463,181)</u>	<u>(914,419)</u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

.....
A Pollard
Chairman of Trustees
Date: 15/2/2022

The notes on pages 21 to 47 form part of these financial statements.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	799,790	47,331
Cash flows from investing activities			
Interest from investments		7	211
Purchase of tangible fixed assets		(61,439)	(34,449)
Net cash used in investing activities		(61,432)	(34,238)
Change in cash and cash equivalents in the year		738,358	13,093
Cash and cash equivalents at the beginning of the year		395,817	382,724
Cash and cash equivalents at the end of the year	23	1,134,175	395,817

The notes on pages 21 to 47 form part of these financial statements

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. General information

The Berkshire Young Musicians Trust is an incorporated charity. It is registered in England and Wales with charity registered number 284555 and company number 1673689. The principal address of the Charity is 100 Cockney Hill, Stoneham Court, Reading, Berkshire, RG30 4EZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Berkshire Young Musicians Trust (operating as Berkshire Maestros) 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.

2.2 Going concern

As at 31 August 2021 the balance sheet shows net liabilities of £463,181, compared to £914,419 at 31 August 2020. The reduction in liability reflects the current year operating surplus but is offset by an increase in the pension scheme liability on the Local Government Defined Benefit Pension Scheme to £3,468,000.

During the year, £1,159k of funding has been received from the Culture Recovery Fund which has enabled the organisation to rebuild reserves and invest in a programme of activity to attract and retain new students following a period of reduced activity as a result of Covid. The trustees believe that no significant payments in respect of the pension deficit will be required in the foreseeable future.

Accordingly the trustees continue to adopt the going concern basis in preparing the financial statements.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.3 Income

Fees

Fees represent amounts charged for lessons and ensembles and are accounted for on an accruals basis. Assistance with gross fees and fee remissions is included in expenditure as Charitable Support.

Voluntary income

Voluntary income comprises legacies and other donations which are made available for the general purposes of the Charity. They are recognised when the amounts are received unless there is sufficient evidence to provide the necessary certainty that the legacy or donation will be received and that the value of the incoming resources can be measured with sufficient reliability.

Donations and grants

Donations made for other specific purposes are treated as restricted funds.

Culture Recovery Fund grants are recognised when the charity is entitled to the income.

Government funding

Payments received under contracts from Arts Council England and any of the Unitary Authorities of Berkshire to subsidise the provision of music tuition services are recognised in the Statement of Financial Activities in the period to which they apply.

The Covid-19 Job Retention Scheme grant income is recognised in the period to which it relates.

Events, courses, concerts and tours

Income from events, courses, concerts and tours represents monies charged for tours, receipts from concerts and other fundraising. These monies are accounted for on an accruals basis and matched with the associated expenditure incurred.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation

Assets that individually cost less than £250 are not capitalised. The cost is written off to the Statement of Financial Activities in full when purchased. Assets that have been donated are capitalised at their full market value at the time of donation and depreciated. The value of the donation is treated as income in the Statement of Financial Activities as a restricted fund.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- At 2% and 5% of cost
Motor vehicles	- At 20% of cost
Fixtures and fittings	- At 20% of cost
Computer equipment	- At 33% of cost
Other fixed assets	- At 20% of cost

2.7 Investments

Investments are stated at the market value indicated by the Report of the Investment Managers to the trustees at the Balance Sheet date. Any resulting unrealised gain or loss is taken to the Statement of Financial Activities.

The Berkshire Young Musicians Trust has a fully owned subsidiary called Maestros Enterprises Limited, company number 11609495. Group accounts have not been prepared as the subsidiary is not material to the group. The results of the subsidiary are disclosed in note 27.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.11 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.13 Pensions

Teaching staff employed by The Berkshire Young Musicians Trust are eligible for membership of the Teachers' Pension Scheme, which is a national, statutory, contributory, unfunded defined benefit scheme administered by the Teachers Pension Agency, an executive agency of the Department for Education. Pension costs are assessed in accordance with the advice of the Government Actuary. As this is a multi-employer scheme whose assets and liabilities are not separately identifiable, under Financial Reporting Standard 102 "Post-employment Benefits" it is treated as a defined contribution scheme with a charge to the accounts for the contributions paid and relevant disclosures about the scheme as a whole provided in note 22.

The Berkshire Young Musicians Trust has a funded defined benefit scheme for those members of staff who are not eligible to join the Teachers' Pension Scheme. The assets of this scheme are administered by the Royal County of Berkshire Pension Scheme. This is also a multi-employer scheme, but the assets and liabilities relating to The Berkshire Young Musicians Trust are separately identifiable and are accounted for as belonging to The Berkshire Young Musicians Trust. The financial statements take account of the annual valuation of the defined benefit scheme undertaken by the pension fund's actuaries.

Actuarial gains and losses arising from updating the latest actuarial valuation to reflect conditions at the balance sheet date are recognised in the gains and losses section of the Statement of Financial Activities. More details are included in note 22.

2.14 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of the designated funds is set out in note 19 to the financial statements.

Restricted funds are those funds where monies have been received for a specific purpose and are matched against the expenditure as incurred.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Bad debts

Using information available at the balance sheet date, the Charity makes judgement based on experience regarding the level of provision required to account for potentially uncollectible debtors.

Pensions

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any change in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

4. Income from donations and grants

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	47,775	17,658	65,433	37,541
Grants	-	500	500	13,708
Covid-19 Job Retention Scheme grant	-	163,148	163,148	19,818
Culture Recovery Fund grants	1,158,986	-	1,158,986	-
	<u>1,206,761</u>	<u>181,306</u>	<u>1,388,067</u>	<u>71,067</u>
Total 2020	<u>34,122</u>	<u>36,945</u>	<u>71,067</u>	

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest received	7	7	211
	<u>7</u>	<u>7</u>	
Total 2020	<u>211</u>	<u>211</u>	

6. Income from charitable activities

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fees (see note 7)	-	2,590,067	2,590,067	3,132,885
Government funding	1,158,121	-	1,158,121	1,151,588
Other music related activities (see note 8)	-	182,278	182,278	286,996
	<u>1,158,121</u>	<u>2,772,345</u>	<u>3,930,466</u>	<u>4,571,469</u>
Total 2020	<u>1,151,588</u>	<u>3,419,881</u>	<u>4,571,469</u>	

7. Fees

	2021 £	2020 £
Lessons and ensembles	2,567,567	3,056,469
Gift Aid	22,500	76,416
	<u>2,590,067</u>	<u>3,132,885</u>

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. Other music related income

	2021 £	2020 £
Examination fees	43,070	45,383
Instrument income	106,054	145,120
Tours	(8,123)	25,468
Concerts	16,112	55,443
Courses and workshops	25,165	15,582
	<u>182,278</u>	<u>286,996</u>

9. Analysis of charitable expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Marketing costs	20,231	-	-	20,231	26,109
Charitable financial support	-	153,809	-	153,809	137,965
Teaching costs	2,911,685	-	730,528	3,642,213	4,292,111
Music related costs	384,540	-	99,618	484,158	325,438
Events, courses, concerts and tours	16,852	-	-	16,852	69,378
Pension adjustment	-	-	243,000	243,000	185,000
Governance costs	-	-	24,537	24,537	31,123
	<u>3,333,308</u>	<u>153,809</u>	<u>1,097,683</u>	<u>4,584,800</u>	<u>5,067,124</u>
Total 2020	<u>3,875,861</u>	<u>137,965</u>	<u>1,053,298</u>	<u>5,067,124</u>	

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

Analysis of support costs

	2021	2020
	£	£
Staff costs	578,488	415,971
Depreciation	55,621	56,006
Travel costs	3,502	3,942
IT costs	109,645	53,440
Postage	1,210	869
Telecommunications	21,471	21,504
Staff training	32,470	32,171
Recruitment	358	17,284
Insurance	23,046	25,433
Bad debts	(76,059)	108,578
Bank charges	17,973	28,334
Repairs and maintenance	18,442	17,978
Premises costs	43,979	55,665
Legal and professional	12,537	19,713
Auditor's remuneration	12,000	11,410
Pension adjustment	243,000	185,000
	1,097,683	1,053,298

Support and administration costs are split between teaching costs and music related costs in the ratio of 88% and 12% respectively. The total allocated is: teaching costs £730,528 (2020: £736,714) and music related costs £99,618 (2020: £100,461).

10. Governance costs

	2021	2020
	£	£
Auditor's remuneration	12,000	11,410
Other professional fees	12,537	19,713
	24,537	31,123

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Unrealised gain on investment

	2021	2020
	£	£
Gains on investment assets	70,531	28,986

In 2017 surplus funds of £500,000 were originally invested in an absolute return fund. During the year to 31 August 2020 the funds were transferred to the LF Ruffer Total Return Fund. For the year ending 31 August 2021 the fund value resulted in an unrealised gain of £70,531 (2020: gain of £28,986).

12. Net Income/(expenditure)

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	66,211	71,329
Auditor's remuneration	12,000	11,410

During the year, no trustees received any remuneration (2020 - £NIL).

During the year, no trustees received any benefits in kind (2020 - £NIL).

During the year, no trustees received any reimbursement of expenses (2020 - £NIL).

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. Staff costs

	2021	2020
	£	£
Wages and salaries	2,615,262	2,790,689
National insurance costs	225,311	251,972
Other pension costs	568,287	613,154
	<u>3,408,860</u>	<u>3,655,815</u>

The average number of persons employed by the company during the year was as follows:

	2021	2020
	No.	No.
Management and administration	27	30
Full time teachers	48	57
Part time teachers	41	34
	<u>116</u>	<u>121</u>

No employee received remuneration amounting to more than £60,000 in 2021 (2020: no employees).

During the year remuneration paid to key management personnel, including national insurance contributions, totalled £132,706 (2020: £154,318).

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. Tangible fixed assets

	Land and buildings £	Motor vehicles £	Fixtures and fittings £	Computer and office equipment £	Musical instruments £	Total £
Cost or valuation						
At 1 September 2020	1,707,729	18,345	73,459	217,437	498,135	2,515,105
Additions	5,092	-	35,390	18,839	2,118	61,439
At 31 August 2021	<u>1,712,821</u>	<u>18,345</u>	<u>108,849</u>	<u>236,276</u>	<u>500,253</u>	<u>2,576,544</u>
Depreciation						
At 1 September 2020	161,143	15,899	58,771	192,290	484,598	912,701
Charge for the year	31,859	2,446	6,106	17,654	8,146	66,211
At 31 August 2021	<u>193,002</u>	<u>18,345</u>	<u>64,877</u>	<u>209,944</u>	<u>492,744</u>	<u>978,912</u>
Net book value						
At 31 August 2021	<u>1,519,819</u>	<u>-</u>	<u>43,972</u>	<u>26,332</u>	<u>7,509</u>	<u>1,597,632</u>
At 31 August 2020	<u>1,546,586</u>	<u>2,446</u>	<u>14,688</u>	<u>25,147</u>	<u>13,537</u>	<u>1,602,404</u>

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

14. Tangible fixed assets (continued)

Included in land and buildings is freehold land at valuation of £346,747 (2020: £346,747) which is not depreciated.

The cost or valuation at 31 August 2021 is as follows:

	2021 £
At Valuation	
Land and building at original cost	891,953
Revaluation in 2014	508,047
	<hr/>
Land and building valuation	1,400,000
At Cost	
2015 additions	146,747
2016 additions	3,606
2017 additions	53,749
2019 additions	91,757
2020 additions	11,870
2021 additions	5,092
	<hr/>
Total	1,712,821

The freehold property was revalued on 31 August 2014 by Thameside Surveying Ltd, Chartered Surveyors on a full vacant possession basis.

The Charity has applied the transitional provisions of the Charities SORP (FRS 102) and the valuation of freehold property has not been updated since the last valuation in 2014.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2021 £	2020 £
Cost	1,204,774	1,199,682
Accumulated Depreciation	(490,910)	(459,051)
	<hr/>	<hr/>
Net book value	713,864	740,631
	<hr/>	<hr/>

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 September 2020	100
At 31 August 2021	<u>100</u>
Net book value	
At 31 August 2021	100
At 31 August 2020	<u>100</u>
See note 27 for further information.	

16. Debtors

	2021 £	2020 £
Due within one year		
Amounts due in relation to tuition fees	557,183	426,539
Amounts owed by group undertakings	40,057	47,223
Other debtors	141,338	203,678
Prepayments and accrued income	231,370	30,164
	<u>969,948</u>	<u>707,604</u>

17. Current asset investments

	2021 £	2020 £
LF Ruffer total return fund	<u>612,832</u>	<u>542,301</u>

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

18. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	84,024	38,833
Other taxation and social security	56,385	61,375
Other creditors	-	67,263
Accruals and deferred income	1,169,459	1,085,174
	<u>1,309,868</u>	<u>1,252,645</u>
		2021 £
Deferred income		
Deferred income at 1 September 2020		1,057,850
Resources deferred during the year		1,155,551
Amounts released from previous periods		(1,057,850)
		<u>1,155,551</u>

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Building maintenance	59,982	-	-	-	-	59,982
IT development fund	74,000	-	-	-	-	74,000
Tour funds	21,131	-	-	-	-	21,131
	<u>155,113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,113</u>
General funds						
General Funds - all funds	1,798,907	2,974,314	(2,668,041)	344,150	70,531	2,519,861
Pension reserve	(2,910,000)	-	(243,000)	-	(315,000)	(3,468,000)
Unallocated amounts	-	-	1,905	-	-	1,905
	<u>(1,111,093)</u>	<u>2,974,314</u>	<u>(2,909,136)</u>	<u>344,150</u>	<u>(244,469)</u>	<u>(946,234)</u>
Total Unrestricted funds	<u>(955,980)</u>	<u>2,974,314</u>	<u>(2,909,136)</u>	<u>344,150</u>	<u>(244,469)</u>	<u>(791,121)</u>
Restricted funds						
ACE funding	-	1,009,053	(1,009,053)	-	-	-
Sponsor a child	7,121	49	(3,451)	-	-	3,719
UA disadvantaged funds	23,340	-	(1,412)	-	-	21,928
Greenham Trust	-	5,821	(5,821)	-	-	-
Donated instruments	7,539	-	-	-	-	7,539
Covid-19 hardship fund	3,561	10,000	(10,784)	-	-	2,777
Teachers' Pension fund	-	149,068	(149,068)	-	-	-

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Foyle Foundation	-	30,000	(28,347)	-	-	1,653
Culture Recovery Fund	-	1,158,986	(524,512)	(344,150)	-	290,324
Earley Charity	-	1,905	(1,905)	-	-	-
	<u>41,561</u>	<u>2,364,882</u>	<u>(1,734,353)</u>	<u>(344,150)</u>	<u>-</u>	<u>327,940</u>
Total of funds	<u>(914,419)</u>	<u>5,339,196</u>	<u>(4,643,489)</u>	<u>-</u>	<u>(244,469)</u>	<u>(463,181)</u>

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

Sponsor a child

Amounts donated by individuals to provide children from disadvantaged backgrounds with the opportunity to learn a musical instrument. The support can be short or long term and is provided at the Trust's discretion.

UA disadvantaged fund

The Unitary Authority Disadvantaged fund is money previously received from Wokingham Borough Council to support specific disadvantaged children within the Wokingham district in musical education.

Arts Council England (ACE) Funding

Berkshire Maestros is in receipt of funding to 31 March 2022 allocated by Central Government via Arts Council England to support the Berkshire Music Hub deliver the National Music Plan. Berkshire Maestros is leader of the Berkshire Music Hub.

Greenham Trust

Greenham Trust has donated monies to the Trust to support children just above the FSM level with lessons and instruments in the area supported by Greenham Trust.

Donated instruments

Represents instruments bought for the Trust by friends and other organisations. This fund is amortised over the life of the instrument.

Covid-19 hardship fund

We fundraised for and set-up a hardship fund in April 2020 in order to support families to continue their music-making activities for their children and young people during the pandemic. If parents had been financially impacted whether through job-loss or by being furloughed, we offered them 85% reduction in their fees. We got an initial £5,000 from the Berkshire Community Foundation and have also received individual donations to enable us to keep this fundraising pot going for as long as possible.

Foyle Foundation

We applied for a grant to cover the cost of digital equipment required to support online lessons; webcams, laptops, microphones etc. We also were able to purchase iPads to enable music projects in alternative provisions thanks to this grant.

Culture Recovery Fund

We applied to the first two rounds of the DCMS' Culture Recovery Fund and were awarded the full financial support that we requested. The first round was mainly to cover the loss of income and to support staff salaries as well as the hire of venues and PPE. The second round was more about re-growing after the pandemic and so was to support promotional activities and key activity for vulnerable children and adults.

Earley Charity

We applied for a grant to support the face to face delivery of ensembles and singing as these were particularly difficult to run safely during the start of the pandemic. We purchased roll-up banners to use as barriers between teachers and students when delivering music activities.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Designated funds						
Building maintenance	59,982	-	-	-	-	59,982
IT development fund	74,000	-	-	-	-	74,000
Tour funds	21,131	-	-	-	-	21,131
	<u>155,113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,113</u>
General funds						
General Funds - all funds	2,049,348	3,478,215	(3,756,050)	(1,592)	28,986	1,798,907
Pension reserve	(2,357,000)	-	(185,000)	-	(368,000)	(2,910,000)
	<u>(307,652)</u>	<u>3,478,215</u>	<u>(3,941,050)</u>	<u>(1,592)</u>	<u>(339,014)</u>	<u>(1,111,093)</u>
Total Unrestricted funds	<u>(152,539)</u>	<u>3,478,215</u>	<u>(3,941,050)</u>	<u>(1,592)</u>	<u>(339,014)</u>	<u>(955,980)</u>
Restricted funds						
Robina Dallmeyer memorial fund	66	-	(1,000)	934	-	-
ACE funding	-	1,151,588	(1,151,588)	-	-	-
Sponsor a child UA disadvantaged funds	13,729	2,598	(9,206)	-	-	7,121
Greenham Trust	18,803	5,783	(1,246)	-	-	23,340
	(458)	19,880	(20,080)	658	-	-
Donated instruments	13,871	-	(6,332)	-	-	7,539
Covid-19 hardship fund	-	5,861	(2,300)	-	-	3,561

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
	46,011	1,185,710	(1,191,752)	1,592	-	41,561
Total of funds	(106,528)	4,663,925	(5,132,802)	-	(339,014)	(914,419)

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Designated funds	155,113	-	-	-	-	155,113
General funds	(1,111,093)	2,974,314	(2,909,136)	344,150	(244,469)	(946,234)
Restricted funds	41,561	2,364,882	(1,734,353)	(344,150)	-	327,940
	<u>(914,419)</u>	<u>5,339,196</u>	<u>(4,643,489)</u>	<u>-</u>	<u>(244,469)</u>	<u>(463,181)</u>

Summary of funds - prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Designated funds	155,113	-	-	-	-	155,113
General funds	(307,652)	3,478,215	(3,941,050)	(1,592)	(339,014)	(1,111,093)
Restricted funds	46,011	1,185,710	(1,191,752)	1,592	-	41,561
	<u>(106,528)</u>	<u>4,663,925</u>	<u>(5,132,802)</u>	<u>-</u>	<u>(339,014)</u>	<u>(914,419)</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	7,539	1,590,093	1,597,632
Fixed asset investments	-	100	100
Current assets	320,401	2,396,554	2,716,955
Creditors due within one year	-	(1,309,868)	(1,309,868)
Provisions for liabilities and charges	-	(3,468,000)	(3,468,000)
Total	<u>327,940</u>	<u>(791,121)</u>	<u>(463,181)</u>

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	7,539	1,594,865	1,602,404
Fixed asset investments	-	100	100
Current assets	34,022	1,611,700	1,645,722
Creditors due within one year	-	(1,252,645)	(1,252,645)
Provisions for liabilities and charges	-	(2,910,000)	(2,910,000)
Total	41,561	(955,980)	(914,419)

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	766,238	(439,891)
Adjustments for:		
Depreciation charges	66,211	71,329
Unrealised gains on investments	(70,531)	(28,986)
Interest from investments	(7)	(211)
Increase in debtors	(260,784)	(464,308)
Increase in creditors	55,663	724,398
FRS 102 pension adjustment	243,000	185,000
Net cash provided by operating activities	799,790	47,331

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,134,175	395,817
Total cash and cash equivalents	1,134,175	395,817

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

24. Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	395,817	738,358	1,134,175
Debt due within 1 year	(67,263)	67,263	-
Liquid investments	542,301	70,531	612,832
	<u>870,855</u>	<u>876,152</u>	<u>1,747,007</u>

25. Pension commitments

The company's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Royal County of Berkshire Pension Scheme. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £nil were payable to the schemes at 31 August 2021 (2020: £67,263) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the nominal ledger. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

25. Pension commitments (continued)

- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £468k (2020: £482k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Charity has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2020 was £169k (2020: £169k), of which employer's contributions totalled £126k (2020: £132k) and employees' contributions totalled £39k (2020: £37k). The agreed contribution rates for future years are 16.3 per cent for employers and 5.5-12.5 per cent for employees.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 31 August 2021	At 31 August 2020
	%	%
Discount rate	1.65	1.60
Future salary increases	3.90	3.30
Future pension increases	2.90	2.30
Inflation RPI	3.20	3.30
Inflation CPI	2.90	2.30

	At 31 August 2021	At 31 August 2020
	Years	Years
Mortality rates (in years)		
- for a male aged 65 now	21.3	21.5
- at 65 for a male aged 45 now	24.0	24.1
- for a female aged 65 now	22.6	22.9
- at 65 for a female aged 45 now	25.4	25.5

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

25. Pension commitments (continued)

The company's share of the assets in the scheme was:

	At 31 August 2021 £	At 31 August 2020 £
Equities	1,754,000	1,423,000
Other bonds	512,000	319,000
Property	339,000	346,000
Cash and other liquid assets	59,000	231,000
Target return portfolio	125,000	75,000
Commodities	-	9,000
Infrastructure	246,000	178,000
Longevity insurance	(162,000)	(144,000)
Total fair value of assets	2,873,000	2,437,000

The actual return on scheme assets was £300,000 (2020 - £93,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	321,000	272,000
Interest income	(40,000)	(40,000)
Interest cost	86,000	83,000
Administrative expenses	2,000	2,000
Contributions by employer	(126,000)	(132,000)
Total amount recognised in the Statement of Financial Activities	243,000	185,000

Movements in the present value of the defined benefit obligation were as follows:

	2021 £
Opening defined benefit obligation	5,347,000
Current service cost	321,000
Interest cost	86,000
Change in financial assumptions	756,000
Change in demographic assumptions	(67,000)
Experience gain on defined benefit obligation	(114,000)
Benefits paid	(27,000)
Employee contributions	39,000
Closing defined benefit obligation	6,341,000

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

25. Pension commitments (continued)

Movements in the fair value of the company's share of scheme assets were as follows:

	2021 £
Opening fair value of scheme assets	2,437,000
Interest on assets	40,000
Return on assets less interest	260,000
Administration expenses	(2,000)
Contributions by employer	126,000
Employee contributions	39,000
Benefits paid	(27,000)
Closing fair value of scheme assets	2,873,000

26. Operating lease commitments

At 31 August 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	35,877	57,357
Later than 1 year and not later than 5 years	3,264	8,888
	39,141	66,245

27. Indemnity insurance

Funds of the Charity amounting to £1,231 (2020: £1,231) have been used in the purchase of insurance to protect the Charity from loss arising out of neglect or defaults of its directors or officers and to indemnify its directors or officers against the consequences of any neglect or default on their part.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

28. Related party transactions

The following trustees entered into related party transactions with the company during the year:

	2021	2020
	£	£
C Hyde	1,293	1,387
J Quinn	50	68
A Pollard	1,918	2,587
J Manwaring	-	820
R Belshaw	1,650	-
J Carroll	1,878	-
A Knight	2,845	-
	9,634	4,862

The above transactions are for music lessons, ensemble and other related activities paid for by these trustees. These activities are all invoiced at normal fee tariff rates and on an arm's length basis.

THE BERKSHIRE YOUNG MUSICIANS TRUST (OPERATING AS BERKSHIRE MAESTROS)
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

29. Guarantees

The liability of the company is limited by guarantee. In the event of the company being wound up, each member (or members who have ceased to be members for less than one year), undertakes to contribute to the assets of the company such amount as may be required, not exceeding £1.

30. Principal subsidiaries

The following was a subsidiary undertaking of the company:

Name	Company number	Registered office or principal place of business	Principal activity
Maestros Enterprises Limited	11609495	Stoneham Court Cockney Hill, Tilehurst, Reading, United Kingdom, RG30 4EX	Sales of software

Class of shares	Holding	Included in consolidation
------------------------	----------------	----------------------------------

Ordinary	100%	No
----------	------	----

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Maestros Enterprises Limited	38,972	(35,991)	2,981	100