

WREN MUSIC
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

Registration Number: 6774932

Charity Number: 1128790



WREN MUSIC

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Contents	Page
Legal and administrative information	1
Trustees' Annual Report	2 - 4
Independent examiners' report	5
Statement of financial activities	6
Balance sheet	7 - 8
Notes to the financial statements	9 - 16

**LEGAL AND ADMINISTRATION INFORMATION
FOR THE YEAR ENDED 31 MARCH 2018**

Charity Number:	1128790
Company registration number:	6774932
Business address	Ebenezer Hall North Street Okehampton Devon EX20 1AR
Registered Office	Ebenezer Hall North Street Okehampton Devon EX20 1AR
Trustees	Jon Bell (resigned 11 July 2017) Alastair Bremner Gareth Davies (appointed 27 November 2017) River King (appointed 10 October 2017) Trevor Munkenbeck (appointed 10 October 2017) Lucy MacKeith (resigned 10 July 2017) Jane Pyle Alexis Taylor Kate Tyrrell (resigned 9 May 2017)
Secretary	Jane Pyle (resigned 27 March 2018) Kate Tyrrell (appointed 27 March 2018)
Chief Executive Officer	Marilyn Tucker
Finance Officer	Kate Tyrrell
Accountants	Simpkins Edwards LLP 4 Fore Street Okehampton EX20 1AD
Bankers	The Co-operative Bank PO Box 250 Delf House Southway Skelmersdale

**TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

The trustees present their report and the financial statements for the year ended 31 March 2018. The trustees, who are also directors of Wren Music for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Wren Music is a Company limited by guarantee registered in England and Wales and is a registered charity. Wren Music is governed by a Memorandum and Articles of Association.

The trustees (who are also directors of Wren Music for the purpose of company law) have given due consideration to the Charity Commissions published guidance on Public Benefit as required by the Charities Act 2011.

Directors (the charity trustees) are recruited through advertisement and direct approach. They are invited to submit an expression of interest and to complete a skills audit. Potential directors are subsequently interviewed by a director (trustee) and a senior member of staff.

Directors are appointed for an initial term of three years and may be appointed for a further term or other period as determined by resolution of the Board. New board members receive copies of the Governing document, board and company handbooks. The main method of induction is through the annual board/staff away weekend.

The board meets approximately every two months to review financial and business issues with task and finish groups and away days to examine strategic plans and policies.

In addition to staff prepared project reports the Wren board gets feedback through the Members' Forum.

Objectives and activities

The charitable objects as set out in the Memorandum and Articles are: "To promote, maintain, improve and advance the education of the public, locally, regionally, nationally and internationally, by encouraging and fostering the understanding, knowledge, appreciation and development of folklore music and its associated artistic forms and folklore tradition.

To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society through folklore music and related arts activities, (being excluded from society, or part of society, as a result of being a member of a socially and economically deprived community)."

The charity's objects are achieved through bringing people together to experience the transformative power of engaging with the arts. Wren's programme combines:

- **Creation**, - creating new works with and for local communities;
- **Curation**, - research of old folk songs and tunes to build projects and performances;
- **Participation**, - by all ages and social/educational/health/community situations runs through all our programmes and projects, alongside partnerships with caring and arts organisations.

Achievements and performance

Our regular programme of adult ensembles and youth groups was maintained, and the year was characterised by partnerships and European exchange. The Make Music Make A Change project enhanced this programme by combining the community orchestras with groups of adults with learning disabilities.

**TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Achievements and performance (continued)

Partnerships in Devon resulted in the Devon Remembers WW1 project 'Blackberries and Bandages' a touring concert of songs written by participants from their researches into the Home Front in Devon, and Wren was able to contribute to The Devonshire Association Symposium 'Devon/Newfoundland Story' by touring the county with Jim Payne from St John's in a concert entitled 'Shore to Shore'. In Torbay Wren ran a pilot project with Torbay CCG a choir for patients with Chronic Obstructive Pulmonary Disease (COPD), Initial results look promising and the group is continuing.

Wren Music was the co-ordinator of an erasmus+ funded project, looking at music and social inclusion with partners in Italy, Romania, Latvia and Hungary. This resulted in trips to Romania and Latvia for key members of the music team, and in addition we hosted visits by Melodissimo from Brittany, and Vincanto from Tuscany.

We embarked on a new youth project, funded by Youth Music, over in Cranbrook, the first New Town to be built in Devon since the Middle Ages.

Financial review

The charity generated incoming resources of £275,526 (2017: £257,716) in the year, of which £9,900 (2017: £26,127) derived from restricted grant funding. Against this it incurred total costs of £297,150 (2017: £243,258) resulting in a net deficit of £21,624 (2017: surplus of £14,458).

Going concern and plans for the future

The trustees and staff of Wren Music have been very focussed on the ongoing financial viability of the organisation in recent years. Like many organisations we are no longer regularly funded by the Arts Council and Devon County Council and have had to adapt to a project/contract based economy. We are dependent on short-term grants and this is not the first year we have ended the year on a deficit.

The trustees keep a close eye on the position and work to develop a flexible model that can expand and contract depending on the work we are committed to that is ongoing. At the same time we have expanded into new areas of work that will become significant income generators in the future - notably the delivery of the Certificate for Music Educators (accredited by Trinity College) and also NHS funded Singing for Wellness Choirs.

We are in the process of submitting a major grant application linked to a restructure of the company. A new chair has recently been appointed to lead this process. Trustees are satisfied that the charity continues to be a going concern and will be able to meet its liabilities as they fall due.

Reserves policy

The policy of the charity is that unrestricted funds which have not been designated for a specific purpose should be maintained at £10,000. The trustees note that this target has not been achieved this year however the intention is to address this as part of the planned restructure.

**TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

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

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

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

On behalf of the board

Gareth Davies

G Davies

16/12/18

David S. Maddicot

DAVID S MADDICOTT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL STATEMENTS OF WREN MUSIC

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2018 which are set out on pages 6 to 16.

Responsibilities and basis of report

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

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

Independent examiner's report

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

- 1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those accounting records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Sebastian Beard BA (Hons) ACA CTA
Simpkins Edwards LLP
Chartered Accountants

4 Fore Street
Okehampton
EX20 1AD

Date: 17/12/2018

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
Income and endowments:					
Donations and legacies	5	17,602	-	17,602	20,326
Charitable activities	6	246,688	9,900	256,588	236,919
Other trading activities	7	1,336	-	1,336	471
Total income		265,626	9,900	275,526	257,716
Expenditure:					
Charitable activities	8	286,336	10,814	297,150	243,258
Total expenditure		286,336	10,814	297,150	243,258
Net income/(expenditure) and net movement in funds		(20,710)	(914)	(21,624)	14,458
Transfers between funds		7,154	(7,154)	-	-
Reconciliation of funds		(13,556)	(8,068)	(21,624)	14,458
Total funds brought forward		7,754	16,143	23,897	9,439
Total funds carried forward	19	(5,802)	8,075	2,273	23,897

The notes on pages 9 to 16 form part of these financial statements.

WREN MUSIC

Page 7

**BALANCE SHEET
AS AT 31 MARCH 2018**

			2018	2017
	Notes	£	£	£
Fixed assets				
Tangible assets	13		22,479	23,930
Current assets				
Stocks		-		7,828
Debtors	14	37,022		25,382
Cash at bank and in hand		19,612		6,392
		56,634		39,602
Creditors: amounts falling due within one year	15	(76,840)		(39,635)
Net current liabilities			(20,206)	(33)
Total assets less current liabilities			2,273	23,897
Net assets			2,273	23,897
Funds of the charity	19			
Restricted income funds			8,075	16,143
Unrestricted income funds			(5,802)	7,754
Total charity funds			2,273	23,897

For the year in question, the charitable company was entitled to exemption from an audit under section 477 of the Companies Act 2006.

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

The trustees/directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

**BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2018**

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorized for issue by the Trustees on 16/12/18 and signed on their behalf by:

Gareth Davies

G Davies
Trustee

David S. Widdowson

~~A Bremner~~ D S M WIDDOWSON
Trustee

The notes on pages 9 to 16 form part of these financial statements.

Company registration no. 6774932

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Ebenezer Hall, North Street, Okehampton, Devon, EX20 1AR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)) and the Charities Act 2011.

3. Accounting policies**Basis of preparation**

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

The Trustees confirm there are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowments funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible fixed assets

Tangible assets are initially recognised at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment and furniture	- 20% on a straight line basis
Musical Instruments and equipment	- 10% on a straight line basis
Motor vehicles	- 20% on a straight line basis

Stock

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

4. Limited by Guarantee

Wren Music is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such an amount as may be required, not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Donations	17,602	-	17,602	20,326

Donations and legacy income in 2017 was fully unrestricted.

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Provision of educational and community musical services	246,688	9,900	256,588	236,919

Provision of education and community musical services in 2017 included £26,127 relating to a restricted grant receivable.

7. Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Sale of merchandise	1,336	-	1,336	213
Fundraising events	-	-	-	258
	1,336	-	1,336	471

Generating funds income in 2017 was fully unrestricted.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

8. Charitable activities

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Direct charitable costs				
Music Leader	33,955	-	33,955	31,735
Wages and salaries	100,092	-	100,092	94,344
Project costs	40,005	10,814	50,819	23,675
Venue hire	13,971	-	13,971	10,176
Travel and subsistence	857	-	857	322
Marketing of services	767	-	767	638
Motor expenses	16,283	-	16,283	13,244
Foreign exchange difference	(788)	-	(788)	-
	<u>205,142</u>	<u>10,814</u>	<u>215,956</u>	<u>174,134</u>
Staff support costs				
Wages and salaries – administrative staff	23,320	-	23,320	19,360
Training and welfare	304	-	304	88
	<u>23,624</u>	<u>-</u>	<u>23,624</u>	<u>19,448</u>
Premises costs				
Rent	16,128	-	16,128	16,451
Light, heat and water	5,833	-	5,833	4,271
Premises repairs and renewals	2,061	-	2,061	672
Insurance	2,384	-	2,384	2,145
	<u>26,406</u>	<u>-</u>	<u>26,406</u>	<u>23,539</u>
General administrative expenses				
Telephone	2,558	-	2,558	2,422
Postage	732	-	732	837
Stationery, printing, software	1,541	-	1,541	1,535
Photocopier expenses	2,652	-	2,652	2,647
Office supplies	17	-	17	463
Subscriptions	134	-	134	141
Equipment expenses	-	-	-	-
Bank charges	193	-	193	251
Sundry expenses	376	-	376	566
Trustees' meetings	1,139	-	1,139	966
Venturesome interest	-	-	-	491
	<u>9,342</u>	<u>-</u>	<u>9,342</u>	<u>10,319</u>

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

8. Charitable activities (continued)

	Unrestricted Funds £	Restricted funds £	2018 Total £	2017 Total £
Professional fees for charitable activities				
Accountancy fees	2,400	-	2,400	2,088
Professional services	10,507	-	10,507	6,716
Disclosure fees	310	-	310	29
	<u>13,217</u>	<u>-</u>	<u>13,217</u>	<u>8,833</u>
Depreciation	8,605	-	8,605	6,985
	<u>8,605</u>	<u>-</u>	<u>8,605</u>	<u>6,985</u>
Total expenditure for charitable activities	286,336	10,814	297,150	243,258
	<u>286,336</u>	<u>10,814</u>	<u>297,150</u>	<u>243,258</u>

Restricted expenditure in 2017 totalled £27,386 and comprised wages and salaries £17,875: Project costs £4,486: Venue hire: £1,928: motor expenses £3,097.

9. Net expenditure

Net incoming/(outgoing) resources is stated after charging:

Depreciation and other amounts written off tangible fixed assets	8,028	6,985
Independent examiners fee	2,400	2,088
	<u>8,028</u>	<u>2,088</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018 £	2017 £
Wages and salaries	148,878	137,912
Social security costs	8,001	7,527
Pension	488	-
	<u>157,367</u>	<u>145,439</u>

No employee received emoluments of more than £60,000 (2017: £Nil)

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows: 5 (2017: 5)

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

10. Staff costs (continued)

The key management personnel of the organisation is considered to be: The Trustees, the Chief Executive Officer and the Finance Officer.

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity of any related entity were received by the Trustees during 2018 or 2017.

12. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

13. Tangible fixed assets

	Equipment and Furniture	Musical Instruments Equipment	Motor Vehicles	Total
£	£	£	£	
Cost				
At 1 April 2017	38,505	58,949	48,722	146,176
Additions	-	7,154	-	7,154
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	38,505	66,103	48,722	153,330
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 April 2017	30,403	46,800	45,043	122,246
Charge for the year	4,239	2,526	1,840	8,605
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	34,642	49,326	46,883	130,851
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 March 2018	3,863	16,777	1,839	22,479
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2017	8,102	12,149	3,679	23,930
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

14. Debtors	2018	2017
	£	£
Trade debtors	32,373	24,504
Other debtors	1,800	878
Prepayments and accrued income	2,849	-
	<u>37,022</u>	<u>25,382</u>

15. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank overdraft	7,084	1,082
Loan	-	2,519
Trade creditors	11,689	12,068
Other creditors	2,556	1,860
Accruals and deferred income	53,452	19,550
Other taxation and social security	2,059	2,556
	<u>76,840</u>	<u>39,635</u>

16. Deferred income

	£
Deferred income as at 1 April 2017	17,855
Resources deferred in the period	132,412
Amounts released from previous period	(109,128)
	<u>41,139</u>
Deferred income at 31 March 2018	

Deferred income is comprised of income from projects for which the conditions have not been fully met.

17. Obligations under leases and hire purchase contracts

Total future minimum lease payments under non-cancellable operating leases are as follows:

Other	2018	2017
	£	£
Within one year	1,243	1,243
Between one and five years	621	1,864
	<u>1,864</u>	<u>3,107</u>

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2018 as represented by:			
Tangible fixed assets	15,902	-	15,902
Net current assets/(liabilities)	(21,704)	8,075	(13,629)
	<u>(5,802)</u>	<u>8,075</u>	<u>2,273</u>

19. Funds

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
Unrestricted Funds	7,754	265,626	(286,336)	7,154	(5,802)
Restricted Funds					
Postcode Community Fund	16,143	-	(914)	(7,154)	8,075
BBC Children in Need	-	9,900	(9,900)	-	-
	<u>16,143</u>	<u>9,900</u>	<u>(10,814)</u>	<u>(7,154)</u>	<u>8,075</u>
	<u>23,897</u>	<u>275,526</u>	<u>(297,150)</u>	<u>-</u>	<u>2,273</u>

BBC Children in Need

BBC Children in Need fund the Music 4 Life project which provides an after-school music club for primary age children in a socially deprived area of Barnstaple.

Postcode Community Fund

Postcode Community Fund supported the Folk in the Community Project which involved purchasing and equipping a mobile stage/studio to enable the delivery of performances and workshops across rural Devon.

20. Related party transactions

There were no related party transactions with directors/trustees during the year.