

THE
MUSIC
THERAPY
CHARITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2018

- Company Registration No 955930
- Charity Commission No 259077

THE MUSIC THERAPY CHARITY

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FOR THE YEAR ENDED 30 JUNE 2018

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THE MUSIC THERAPY CHARITY

REPORT OF THE BOARD OF GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2018

1. The objects for which the Charity is established are:
 - (a) to prevent, relieve and cure sickness and ill-health of every kind whether physical or mental by the use of arts, music therapy and colour therapy.
 - (b) to promote research into the use of arts, music therapy and colour therapy for the above purposes and to publish the results thereof; and in furtherance of these objects the Charity has powers, inter alia, to provide training for music therapists.

The Charity believes that these objects provide a public benefit.

2. Following the death of the previous President Sir Neville Marriner in 2016, we are absolutely delighted that Nicola Benedetti MBE (who is such a wonderful role model for young people) agreed to become President in 2017. The Charity is most grateful for her support.
3. At 30 June 2018, the Vice-Presidents were Sir Thomas Allen, Richard Baker, Simon Callow, Richard Crewdson, Julius Drake, Roy Van Gelder, Dame Beryl Grey, Brian Kay, John Lubbock, Penny Neary, Baroness Nicholson of Winterbourne, André Previn, Anne Skeggs, Professor Malcolm Troup and Ben Zander.
4. The Charity received in its unrestricted fund donations of £41,344. Alice Coote and Julian Drake, two world-class artists, gave us help during the year kindly performing in a fund-raising concert which, because they did not charge a fee, enabled us to raise £28,631.

Investment income and bank deposit interest was £17,145 (£17,485 in 2017).

Realised and Unrealised Gains on Investments held by the Charity were £3,680 (2017: £41,618).

5. The net incoming resources/(expenditure) on the general account was £8,937 (2017: £(19,881)). After crediting unrealised gains of £3,680 (2017: £41,618) on investments the net increase in funds was £12,616 (2017: £21,738). The total fund at 30 June 2018 was £442,024, compared with £429,408 a year previously.
6. Clinical Research Initiatives

The Governors have agreed to continue funding long-term doctoral academic research in conjunction with major initiatives as they arise.

Advertising has commenced for a PhD grant of up to £130,000, to be paid in instalments starting in the academic year 2018-19.

The response to the May 2017 Small Grants call resulted in awards to Veronica Austin (£1,500), Camilla Ferrant (£1,500), and Claire Flower (a further £1,500). The December 2017 Small Grants Call resulted in awards to Maya Sherwin (£1,332), Irene Pujol Torras (£1,500), Panayotis Ntourntoufis (£270).

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7. The following grants totalling £16,000 were made to 18 postgraduate music therapy students:

University:	Roehampton	Guildhall School of Music & Drama	Queen Margaret Edinburgh	South Wales	Nordoff Robbins	West of England	Anglia Ruskin
Samantha Avalon Zeiher							£1,000
Yu-Wei Su							£1,000
Hazel Thorpe		£1,000					
Emma Kenrick		£1,000					
Lydia Mellor					£1,000		
Charlotte Lumb-Mercer					£1,000		
Alex Roberts					£1,000		
Catherine Stiles					£1,000		
Shuying Hu			£1,000				
Peter Hemp			£1,000				
Kamila Ciesluk	£1,000						
Elen Mair Evans	£1,000						
Federica Fuda				£1,000			
Benjamin Cowley				£1,000			
Martha Thompson						£500	
Ella Polczyk-Przbyła						£500	
Sarah Morgan						£500	
Isabel Bedford						£500	

8. The £3,000 "Other funds donated" was sponsorship: £1,000 towards the BAMT conference, and £2,000 to Inge Nygaard Pederson for the Tony Wigram Travelling Fellowship.
9. The Governors have considered the risks to which the Charity might be subject and are satisfied that systems are in place to mitigate such risks. Like all charities we gave due consideration to GDPR and its implication for our charity and are implementing an approach in proportion both to the size of our charity and to the perceived risks.
10. The Governors' aim in relation to reserves is to hold sufficient reserves to be able to finance the Charity's usual grants and administrative expenses for a period of three years if there were no incoming resources during that time.
11. It is the Governors' policy to hold a cash balance approximating to one year's expenses. The remainder of the Charity's reserves are normally invested in fixed-interest stock or bonds and Charifund Units, with the latter forming between 70% and 80% of the total funds.

During the year to 30 June 2018 the total return, income and capital combined on Charifund units was 6.5%, compared with a return of 9.0% on the FTSE All Share Index. The total return on Charibond units was -0.2% compared with a return of 1.9% on the FTSE UK Conventional Gifts All Stocks Index.

12. The Governors during the year were:

Professor Michael Thorne CBE (Chairman)
 Professor Helen Odell-Miller OBE BA (Hons) MPhil PhD LGSM (MT) (Deputy Chairman)
 Mr Peter Parker (Treasurer, retired 24 August 2017)
 Mr Roger Swain (Treasurer, appointed 12 January 2018)
 Mr Dominic Delaforce (Acting Treasurer 24 August 2017 - 11 January 2018)
 Lady Caroline Borg ARCM
 Professor Ian Cross
 Mrs Pauline Etkin OBE DipPPEd PGDip (MT)

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Mrs Angela Mary Harrison GRNCM PGDip (MT)
Dr Kate Thomson MB BS MRCP DCH
Mrs Valerie Vickery
Mrs Susan E Waldman

As noted in last year's report, Peter Parker sadly passed away on 24 August 2017. On an interim basis, Dominic Delaforce stood in as Acting Treasurer. Roger Swain CPFA was appointed as Governor and Treasurer on 12 January 2018.

New Governors are appointed by the existing Governors, having regard to the desirability of having a range of relevant skills and experience among the Board as a whole.

13. Mark Taylor FCCA of Banks & Co, 1 Carnegie Road, Newbury, Berkshire RG14 5DJ was appointed on 14 March 2018 as the new Independent Examiner following the retirement of R T Hecquet FCA of Messrs Davert Banks & Co.
14. The company is registered in England, number 955930, and is registered with the Charity Commission, number 259077. Its registered office is 26 Fitzroy Square, London W1T 6BT.
15. The report of the Board of Governors has been prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.



ON BEHALF OF THE BOARD

Michael Thorne
CHAIRMAN

26 Fitzroy Square, London W1T 6BT

25th Sept 2018

REPORT OF THE INDEPENDENT EXAMINER TO THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2018

I report to the governors who are the charity trustees on my examination of the accounts of the company for the year ended 30 June 2018 which are set out on pages 7 to 11.

Responsibilities and basis of report

As the charity governors 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').

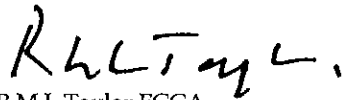
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act').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

Independent examiner's statement

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

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

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



R M L Taylor FCCA
On behalf of Banks & Co
Chartered Certified Accountants
1 Carnegie Road,
Newbury, Berkshire,
RG14 5DJ

10th October 2018

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INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
INCOME AND ENDOWMENTS FROM:			
Donations	2	41,344	35,325
Charitable activities - Coote/Drake Event		28,631	-
Investment income			
Bank deposit interest		67	65
Other investment income		17,078	17,420
Total incoming resources		87,120	52,810
EXPENDITURE ON:			
Raising Funds - Coote/Drake Event		9,054	-
Charitable Activities			
Grants to Music Therapists		16,000	14,000
Grants for Research Projects		36,422	43,585
Other funds donated		3,000	
Management costs			
Secretarial		10,250	10,000
Accountancy		1,625	1,000
Website and Computer Training		211	203
Advertising		-	200
Travel and Meeting Expenses		212	1,296
Other Management Cost		689	315
Trustee training		-	880
Governance costs - Independent Review		720	1,212
Total resources expended		78,183	72,691
NET INCOME/(EXPENDITURE)		8,937	(19,881)
NET GAIN/(LOSS) ON INVESTMENT ASSETS			
Net Gains/(Losses) on investments during the year		3,680	41,618
NET MOVEMENT IN FUNDS		12,617	21,737
RECONCILIATION OF FUNDS:			
Total funds brought forward		429,407	407,670
TOTAL FUNDS CARRIED FORWARD		442,024	429,407

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STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 Total funds	2017 Total funds
		£	£
FIXED ASSETS:			
Investments at Market Value	3	378,693	375,013
CURRENT ASSETS:			
Debtors	5	2,442	29,154
Cash at bank and short term deposits		<u>64,559</u>	<u>29,402</u>
		67,001	58,556
LIABILITIES			
Creditors: Amounts falling due within one year	6	<u>(3,670)</u>	<u>(4,162)</u>
NET CURRENT ASSETS		<u>63,331</u>	<u>54,394</u>
TOTAL ASSETS		<u>442,024</u>	<u>429,407</u>
THE FUNDS OF THE CHARITY			
Unrestricted fund		<u>442,024</u>	<u>429,407</u>
TOTAL CHARITY FUNDS		<u>442,024</u>	<u>429,407</u>

For the year ended 30 June 2018, the Company was entitled to exemption from audit under s.477 of Companies Act 2006. The members have not required the company to obtain an audit of its accounts for the financial year in accordance with s.476 of the Act. The directors acknowledge their responsibilities:

- (a) ensuring that the company keeps accounting records which comply with s.386 of the Companies Act 2006, and
- (b) preparing accounts which give a true and fair view of the state of affairs of the company, as at end of the financial year, and of its profit or loss for the financial year in accordance with the requirements of s.394 and s.395 of the Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These Accounts have been prepared in accordance with the provisions applicable to Companies subject to the small companies regime.

The financial statements were approved by the Board of Governors on 25 Sept 2018 and were signed on its behalf by:



Michael Thorne - Chairman



Roger Swain - Treasurer

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

1. ACCOUNTING POLICIES

Accounting convention

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance the charity's deeds, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102).

Incoming resources

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

Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as commitments but not accrued as expenditure.

Debtors and creditors receivable / payable within one year

Debtors and creditors receivable or payable within one year are recorded at transaction price.

Memorandum of Association

The company is limited by guarantee, has no issued share capital and is exempt for using Limited as part of its name. Every member in pursuance of clause 7 of the Memorandum of Association undertakes to contribute a sum not exceeding £1 in the event of the company being wound up whilst a member.

Taxation

The company is a charity for the purpose of Section 505 of the Income and Corporation Taxes Act 1988 and as such is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The charity does not have any restricted funds.

	2018	2017
	£	£
2 DONATIONS		
Donations	38,533	34,664
Gift Aid	2,811	661
	<u>41,344</u>	<u>35,325</u>

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3 LISTED INVESTMENTS

	Charifund £	Charibond £	Total £
COST			
At 1 July 2017 and 30 June 2018	<u>192,284</u>	<u>42,986</u>	<u>235,270</u>
REVALUATION			
At 1 July 2017	137,407	2,337	139,744
Increase/(decrease) in value during the year	<u>5,249</u>	<u>(1,569)</u>	<u>3,680</u>
At 30 June 2018	<u>142,656</u>	<u>768</u>	<u>143,424</u>
MARKET VALUE			
At 30 June 2018	<u>334,940</u>	<u>43,754</u>	<u>378,693</u>
At 30 June 2017	<u>329,691</u>	<u>45,323</u>	<u>375,013</u>

- 4 On the 8 September 2011 the Charity, along with other charities, became a Registered Member of the £1 Ordinary Guarantee class of Members in The Dudgeon Estate Nominee Company Ltd, which controls the activities of the agent who supervises the distribution of any further musical royalties arising from the estates of Gus and Sheila Dudgeon. In view of the difficulty of valuation, no value has been attributed to this holding in the balance sheet of the Charity.

	2018 £	2017 £
5 DEBTORS		
Income tax recoverable	2,428	98
Other Debtors	<u>15</u>	<u>29,057</u>
	<u>2,442</u>	<u>29,154</u>

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors	<u>3,670</u>	<u>4,162</u>
	<u>3,670</u>	<u>4,162</u>

7 COMMITMENTS

There were no capital commitments at 30 June 2018 (2017: nil)

8 CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2018 (2017: nil)

9 GOVERNORS' REMUNERATION AND BENEFITS

No governors' remuneration or other benefits for the year ended 31 June 2018 (2017: nil).

Governors' expenses

Except for reimbursements made in respect of expenditure incurred on behalf of the Charity no payments were made to members of the governors. Travel expenses of £42 was repaid to 1 governor (£679 to 5 governors in 2017)

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There are no employees who received total employee benefits, excluding pension costs, of more than £60,000.

10 RELATED PARTY DISCLOSURE

There are no related party transactions.

11 ULTIMATE CONTROLLING PARTY

The governors are considered to be the ultimate controlling party of the charity by virtue of their ability to act in concert in relation to the operational and financial policies of the charity.